to direct the operation would prove the best type of management. We suggest the appointment of an Operating and Equipment Assistant, and in addition to the chief technical officers at headquarters we recommend the appointment of two General Superintendents, one for the North Island, with headquarters at Auckland, the other at Christchurch for the South Island, responsible directly to the Board, and acting under regulations and instructions applicable to the system as a whole, for operation, commercial matters, and maintenance within their respective areas, the keynote being centralization of principles with decentralization of details, thus making for greater economy, more efficient working, and improved relations with freighters and the public.

In each Island the District Engineers and Mechanical Assistants to report monthly through their General Superintendent to the Chief Engineer and Mechanical Engineer respectively upon work performed, the state of work, and machinery under their charge, and take instructions thereon. In addition to this the responsibility of the Chief Engineers, civil and mechanical, to be exercised by frequent inspection by themselves or their principal assistants. It is, of course, understood that workshops are under the complete control of the Chief Mechanical Engineer

and Chief Engineer respectively.

The Divisional Superintendents, given a wide discretion with encouragement to develop areas under their charge, and being clothed with the necessary authority to deal with problems as they arise or seek advice when in doubt, would relieve headquarters from a mass of detail and correspondence. Being in direct contact with freighters and the people in general, they would be enabled to familiarize themselves with the conditions, ideas, and needs of each town and district, and obviate formal communications and orders from the Board. They should make management personal, as distinguished from distant management, which tends to appear impersonal. Many of the local grievances to which our attention has been directed could promptly be dealt with, or would probably never arise, under the more direct and authoritative supervision of the General Superintendent. We suggest that formal conferences at headquarters should be held once in three months.

The districts at present under the control of Traffic Managers should be rearranged as shown upon the following diagram, and placed in control of District Superintendents under the control of the General Superintendent. Whilst the latter would require a competent office staff, it is considered that there need be little, if any, increase in the total personnel, having regard to the reduction in the number of districts. The districts would have the approximate mileages indicated

below :=

NORTH ISLAND.				Miles.	South Island.				Miles.
No. 1, Auckland					No. 1, Christchurch			••	878
No. 2, Western		. • •		$485^{ar{1}}_2$	No. 2, Dunedin		• •		486
No. 3, Wellington			• •	$601\frac{1}{4}$	No. 3, Southern			• •	$557\frac{1}{4}$
1,806					$1,921\frac{1}{4}$				

CHIEF OFFICERS AT HEADQUARTERS.

The chief officers at headquarters would be as follows:—

A Secretary who should deal with publicity and advertising matters.* An Operating and Equipment Assistant.

A Solicitor to deal with the legal and estate work of the Department.

A Chief Engineer.

A Chief Mechanical Engineer responsible for the design, maintenance, and renewal of rolling-stock, the management of locomotive workshops and plant, and the supervision of running-sheds.

A Signal and Electrical Engineer.

A Chief Accountant.

A Cashier.*

A Comptroller of Stores.

A Manager of Refreshment-rooms and Dining-cars.

With regard to the selection and appointment of members of the Board, the desideratum is to secure harmony and team work in its fullest sense at head-quarters. This can only be achieved by selecting trained railway men, possessed of vision, zealous in carrying through the reorganization of the operating, mechanical, and commercial branches, and intent upon bringing the New Zealand railways up to the average world standard of cheap and efficient transport.