

Reorganization of Stores Branch essential.

In the course of our tours of inspection we visited the stores all over the system, and are compelled to say that they are by no means satisfactory. The stores held by the Comptroller of Stores are housed in somewhat dilapidated buildings, often most inconveniently arranged with regard to internal fixtures. Moreover, oils and other dangerous stores are not properly housed, and in many cases are mixed up with the general stores. Although buildings and equipment are faulty, there is no excuse for the general disorder such as we found existing, for example, at Greymouth. The stores held by the Engineering Branch are in better shape, but those under the Locomotive Branch are characterized by want of care and system. Valuable stores are lying about in shops and yards open to any one. We found stores that had been charged to this branch two years since still lying where they were delivered by the District Storekeeper.

The conservation of the stores required by a great railway is, in modern practice, a matter of scientific arrangement, and, in view of the large amount of money involved, reasonable expenditure upon the systems of storage and records—*e.g.*, properly designed shelving, trays, bins, and card index systems—is abundantly justifiable. We think that it would be of advantage to send some responsible officer to Sydney to study the working of the railway stores there, and to return charged with the duty of reorganizing the Department on a similar basis. A recent rearrangement in New South Wales has put the Stores Branch there upon a good footing, and New Zealand cannot do better than follow that example.

Arrangements for purchase of stores may, under prevailing conditions, be satisfactory, but the method of charging out the cost is complicated. As we have noted, some are charged direct to the Railway Department, some are held on charge by the Treasury until used, or supposed to be used, whilst others on Capital Account are charged through the Public Works Account. We suggest that all Railway stores (excepting such as may be purchased for new lines constructed by the Public Works Department), be charged direct to the Stores Comptroller's Account, and that he be responsible for debiting the branches as and when such stores are actually used.

IV. MANAGEMENT—*continued.*

(e.) OPERATION.

In any criticism of traffic movement on the New Zealand railways the detached sections of line and the outstanding topographical features involving steep grades and sharp curves must be borne in mind.

The supervision of train-running and general operation is theoretically under the First Assistant General Manager, assisted by a General Superintendent of Transportation. Actually, however, there is but little supervision at headquarters, excepting direct communication by the General Manager. The District Traffic Managers are responsible with few exceptions for train-timing and train-running, the manipulation of rolling-stock, and arrangements with the Locomotive Branch for supply of engines. There are at present nine District Managers covering the main lines, and five officers in charge of isolated sections. At the principal stations Goods Agents, acting under District Traffic Managers, have been appointed; their duties covering clerical work and the supervision of goods trains and traffic within the yards and sidings of their respective stations.

Passenger Traffic.

The evidence given on behalf of the public, a perusal of the time-tables, a record of the actual times kept by the trains, and statistics of train-earnings show that, as a result of slow and infrequent services, general discontent exists, and the inhabitants of New Zealand do not make use of railways for the purpose of travel to the same extent that under ordinary circumstances they might be expected to do. Comparisons are not always reliable as a guide, but the record of the total number of passengers travelling on the Queensland, South Australian, and Western