

(7.) That the value of stores found on hand with branches and not on charge in the books of the Comptroller of Stores be used as the nucleus of a reserve fund for arrears upon rolling-stock.

ORGANIZATION.

(8.) That the Railway Department be managed by a Railway Board, comprising a Chairman and two other members.

(9.) That a Secretary, Cashier, and an Operating and Equipment Assistant be appointed.

(10.) That a Chief Mechanical Engineer, fully qualified and thoroughly conversant with up-to-date methods of railway working, be appointed.

(11.) That General Superintendents, one for the North Island system with headquarters at Auckland, the other for the South Island system with headquarters at Christchurch, be appointed, responsible 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 divisions.

(12.) That the number of traffic and civil engineering districts be reduced to six, three to each Island.

(13.) That one Divisional Mechanical Engineer in each Island is sufficient, and that consideration be given to the question as to whether the North Island Divisional Engineer could not act as assistant to the Chief Mechanical Engineer.

ENGINEERING.

(14.) That new lines likely to become main lines be laid with 70 lb. section rails as a minimum.

(15.) That consideration be given to the employment of flying gangs for the maintenance of branch lines.

(16.) That modifications be made in the proposals for improvements and new works essential to cope with present and prospective traffic.

MECHANICAL.

(17.) That modern machinery be provided in the locomotive workshops and the general arrangements reorganized.

(18.) That a progress system for dealing with repairs be adopted in the works.

(19.) That a system of standard gauges be introduced in connection with locomotive maintenance and renewal.

(20.) That at Addington works a separate shop be provided for the maintenance of points and crossings.

(21.) That the methods of bringing in locomotives for repair be carefully reviewed, to avoid engines being brought in for thorough overhaul too frequently.

(22.) That Petone and Addington works deal with the whole of the locomotive requirements in both Islands.

(23.) That Napier, Whangarei, East Town, Greymouth, and Invercargill be closed down for locomotive work.

(24.) That improved methods for getting engines through the shops be introduced, in order to reduce the average time for heavy repair and thorough overhaul.

(25.) That large expenditure on running-sheds is not warranted, as the proportion of the engines under cover would appear to be sufficient.

(26.) That the capital stock of locomotives be regarded as ample for requirements, bearing in mind the small annual mileage per engine.

(27.) That as the average age of the existing stock of locomotives is high, indicating a number of obsolete types, these be replaced as early as possible.

(28.) That, in addition to perpetuating the A, AA, AB, WAB, and Ws Classes, a powerful type of shunting-engine with three cylinders, also a main-line express engine having 5 ft. 6 in. driving-wheels and three cylinders, be designed, and for taking goods-trains of heavier weight over steep inclines a suitable Garratt engine be utilized.

(29.) That new locomotives be purchased from outside, rather than built in existing shops, which are not laid out for doing this economically.

(30.) That consideration be given to utilizing old classes of engines, such as L and LA, with one or two vehicles attached instead of ordering special rail motors.