

founded on any sound argument), this opposition has generally disappeared when the benefits of the system to the workers have become manifest in practice. I hope during the coming year to be able to finalize proposals on this question, and these will be discussed with the employees with a view to enlisting their co-operation in regard thereto. I believe that the advantages will be recognized immediately the employees obtain a proper understanding of the system, and that no great difficulty will be experienced in bringing the system into operation at our workshops, and carrying it on so as to get the maximum benefit to both the Department and the employee.

STORES.

A branch in which substantial progress has been made in the work of reorganization during the year is that relating to stores.

I am fully sensible of the fact that in no branch is there greater necessity for an efficient organization and a strict adherence thereto than in this branch. It must not be forgotten that stores are money's worth, and there is no difference between a leakage therefrom and a leakage from the cash-drawer in a booking-office; nor is there any substantial difference in the loss incurred through maintaining unnecessarily large stocks of stores than there is in keeping a large amount of money locked up and unused. The object, therefore, of the organization that is being developed is both to safeguard leakages and waste of stores and also to ensure that while there shall always be sufficient there shall never be a surplus. The greatest vigilance requires to be exercised in the care and purchase of stores in order to ensure that stocks shall not become out of date, and especially does this apply to slow-moving lines. Proper distribution to jobs and accurate accounting in connection therewith are essential to secure proper costing figures.

All these things require a specialized knowledge to get the maximum of efficiency, and in order to achieve the best results along these lines a system has been adopted under which the Stores Branch will have the custody and responsibility for stores right up to the moment of their issue for consumption.

This has been a work of considerable magnitude, involving a large amount of organizing, together with erection of suitable stores accommodation. It is gratifying to find that substantial progress has been made in connection with this work, and during the coming year we should find the whole system of stores-control within the Department on a thoroughly sound footing.

WORKSHOPS OUTPUT.

SUMMARIZED RESULTS OF THE OUTPUT FROM THE FOUR MAIN WORKSHOPS FOR THE YEAR ENDED 31ST MARCH, 1926, COMPARED WITH PREVIOUS YEAR ENDED 31ST MARCH, 1925.

Locomotives.

Overhauled	23 more	13·6 per cent. increase.
Light repairs	41 less	12·0 per cent. decrease.
Painted	43 more	30·7 per cent. increase.

The decrease in the number of light repairs is an important feature, inasmuch as an endeavour is being made to reach the stage when the question as to when engines shall be shopped for overhaul will be regulated by the mileage run.

In addition to the extra repair work done, six new tender engines were built and thirty-five imported engines erected, whereas in the previous year only two tank engines were built and four engines re-erected.

Number of Days under Repair.

		Average, 1924-25.	Average, 1925-26.		
Complete overhaul	55 days	44 days	.. 20 per cent. decrease.
Heavy repairs	36 days	41 days	.. 14 per cent. increase.
Light repairs	14 days	11 days	.. 21 per cent. decrease.

The increase in heavy repairs is due to the difference in classification. Whereas in 1924-25 these repairs were classed on a cost basis, those for 1925-26 are on the amount of work done and the mileage run by engines.