D.—2.

The position in this regard is very vividly brought out by the reference made in

the General Manager's report under the heading of "Bridges."

The Department has over fifty miles of bridges, many of which are now due for renewal or strengthening. This will call for a heavy outlay, and the point that I would emphasize at the present juncture is that the additional financial provision that now has to be made for renewals in consequence of the inadequate provisions made in the past cannot be rightly regarded as loss on present or future working. The country in making up this deficiency is simply paying back something it should not have had in the first place.

CONCLUSION.

In conclusion, I would like to say that in the time afforded me since assuming office there has not been opportunity for working out a detailed policy in connection with the Department. It will be understood that in consequence of a change in the administration not only in respect to the Ministry, but also in respect to the management, much inquiry was necessary, in order that a sound foundation of data

might be obtained for the building-up of a policy for the future.

I have in the course of this statement dealt with some of the matters of more immediate moment that we have been able to deal with to a greater or less extent up to the present. Further than that I can but lay down the general lines of my policy, which, stated in the fewest possible words, will be to give the greatest measure of service to the community at the lowest cost that the circumstances will The strictest economy consistent with proper efficiency will be aimed at so far as the internal working of the Department is concerned. As regards its external relationships with other factors in the transport industry, it will be my policy to work to the fullest possible degree in harmony with other forms of transport, constantly endeavouring to give the fullest measure of usefulness to the community out of the transport industry as a whole.

The acquaintance which I have already formed with the detailed working of the Department has convinced me that we have a staff able and enthusiastic, imbued with high principles of service and desirous not only of carrying out their daily vocations as a means of livelihood, but also to make the railway service something

that will stand to the credit of the Dominion.

Before concluding I desire to express my personal appreciation for the invaluable assistance rendered to me by Mr. H. H. Sterling, General Manager, in my endeavour

to grasp the intricate details of railway-management.

I regard Mr. Sterling as a man of exceptional ability, and one in every way capable of carrying out to successful conclusions the extremely important work in which he has been engaged by the State.