

in service, the engines now used being more powerful, and by a system of pooling, the number required has decreased. The practice of pooling will have the effect of increasing the cost of repairs if it becomes general.

The increase in other shed expenses is caused by the new stores system, which requires extra supervision. Examination and lubrication of rolling-stock has increased considerably, and is evidently due to the lubricants and material used being unsuitable.

As far as your Commission has been able to judge, the Locomotive Branch appears to be somewhat disorganized. There is no Chief Mechanical Engineer, and for some years past the actual control of the maintenance and general supervision of the running of locomotives has not been under the Chief Mechanical Engineer's control. We are of opinion that a Chief Mechanical Engineer should be appointed immediately, and made responsible for the running and maintenance of all locomotives. If divisional control is instituted, the Chief Mechanical Engineer should not be divested of responsibility for these matters, and for seeing that the establishment is not permitted to increase beyond actual requirements. The Locomotive staff is as follows: 843 drivers, 777 firemen, 541 cleaners, 13 washoutmen—2,174, plus 279 casual men; a total of 2,453.

Owing to the reduction in train-running, it will be possible to decrease this number. It was gathered from the evidence of the Acting Chief Mechanical Engineer that on account of the unemployment difficulty, casual employees who might have been dispensed with were kept on longer than was necessary. We are of opinion that all labour of this class should be engaged or dispensed with by the District Locomotive Engineer, or his deputy, as required.

Drivers' and firemen's wages are proportionate to the mileage run, but, in addition, there are allowances, night, and overtime rates now paid.

Overtime is paid for at the following rates:—

All time worked over eight hours and up to twelve hours	.. .. .	Rate and a quarter.
All time worked over twelve hours	.. .. .	Rate and a half.
All time worked over forty-eight hours and up to sixty hours	.. .. .	Rate and a quarter.
All time worked over sixty hours	.. .. .	Rate and a half.
Extra rates are also paid for all work performed between 10 p.m. and 6 a.m.		

We are of opinion that overtime should be paid for once only, either on the day's or week's work, and that a man on a regular run or on regular work at night-time should not receive extra payment.

Further, a meal allowance is paid to men who are on duty continuously for not less than eleven hours: this, we think, should be paid only when a meal is actually purchased. With respect to this and other allowances we are of opinion that, although when they were granted there may have been some reason or justification for them, conditions are now so changed that the whole matter should be reviewed.

A large item in locomotive transportation expenditure is attributable to coal. Of late years New Zealand coal has been largely used, but unless engines are equipped with boilers having sufficient grate area it may be found more economical in certain cases to use a proportion of a larger coal.

With regard to the handling of coal at locomotive depots, little has been done in providing mechanical appliances. A small coaling plant has been installed at Elmer Lane, which is said to be working satisfactorily, and is effecting a saving of about £500 per annum. At other depots most of the work of handling coal is performed by manual labour. This method is costly, and your Commission recommends that this matter should be fully investigated and, if found advisable, steps taken to install suitable coal-handling plants at the larger depots.

A matter that came under our notice was the age and different classes of locomotives in use—there are some 642 locomotives, of which 109 are between forty and fifty-six years old; there are twenty-two different types and forty-seven classes. As many of these engines are small and unsuitable for heavy traffic, they should be replaced with modern engines, with resultant economy.

Your Commission is of opinion that considerable economy can be effected in locomotive transportation costs without impairing the safety or efficiency of operation.