

The foregoing charges do not include modifications and repairs to one of these locomotives—viz., “G” 99—now being undertaken at Hutt shops. It is estimated that the charges in respect to this engine will be £400 for modifications and £1,400 for repairs.

The matter of the continued operation of the Garratt engines has been carefully considered, and it has been decided, in view of the expenditure that has already been incurred, to continue working them for a further period of, say, twelve months with a view to giving them a thorough try-out, and more particularly in order to ascertain to what extent the latest modifications improve the operating results.

#### CONCLUSION.

As the direct responsibility of administration of the Department will in future devolve upon the Board, I desire to take this opportunity of placing on record my personal appreciation of and gratitude to all members of the Service for their co-operation in the conduct of the various phases of the Department's operations during a period of unparalleled difficulty. Considering the climatic and geographical conditions in New Zealand, which vitally affect the running of our trains, it is highly creditable that the Service has been able to maintain a safe and reliable means of transport throughout the country for so many years.

The unwavering efficiency and devotion to duty of the entire staff which, although called upon to make sacrifices in common with all other sections of the people, is the chief hope for the future success of the Department. These factors will prove to be the mainstay of the Board in its difficult task of directing the Service in the interests of the people as a whole and at the same time stabilizing the railway finances.

I would also like to take this opportunity of acknowledging the assistance which as Minister of Railways I have received from members of Parliament. The full and constructive criticism which has been forthcoming has materially helped in the administration of this important Department of State.