

check on the quantity used by the various departments, and consequently the correctness or incorrectness of some very elaborate and expensive returns furnished to the Government is quite a matter of chance.

Exposure of  
engines and  
carriages.

We had evidence in one instance of thirteen railway carriages having been left so exposed to weather that it cost £1,477 to put them in a fit state for use, "before they had earned a shilling." Valuable engines are still allowed to remain exposed to the weather "with the sea spray blowing over them." Wagons built by contract in Dunedin were delivered in Christchurch at the end of last year in a state thus described by a witness: "Some of them were disgraceful; bad workmanship, bad timber. The timber was unseasoned, stringy bark was put in instead of iron bark. The joints were not properly made. . . . Some of them had the bottom frames held up only by the nails in the flooring boards. . . . Some of them we have had almost to rebuild within six weeks." There is an absence of proper arrangements for protecting from weather valuable property of all descriptions.

Untrustworthy  
calculations.

But the greatest waste of public money is probably going on in the railway workshops, where large numbers of highly paid artizans are employed without any careful or trustworthy calculations as to the result of their labour. To illustrate this point, we may state that, on visiting the Invercargill workshops, we found the smiths employed in making "points and crossings;" and the officer in charge assured us, with much satisfaction, that each set that was made was a saving of £5 to the colony, as he was making them at a cost of £17 a set, whilst the price charged by the Public Works Department for the imported set was £22. On making the simple inquiries necessary to test the accuracy of this statement, we found that the estimate had carelessly been based on an antiquated list of prices charged by the Public Works Department, which had not been altered with the altered price of iron. The real cost of the imported article, after adding every expense, was £12 1s. 8d., and consequently a loss of nearly £5 was incurred upon every set of "points and crossings" that was being turned out of that workshop.

Tenders  
improperly called  
for and accepted.

In the management of railway stores there is a want of system, supervision, and precaution so great that it can hardly fail to lead to the most objectionable practices, and to serious public loss. Where tenders have been invited, such a course has been taken as to produce very little competition—sufficient publicity has not been given, articles have been classed together which should have been separated, and the conditions of tender have been made alarmingly stringent, whilst at least some of these conditions were altogether unenforced in the public interest. Public officers have had most tempting facilities offered to them to gratify contractors by passing inferior articles, and we had some opportunities of seeing that they did not always resist the temptation. Besides this, we find that some thousands of pounds' worth of stores are annually obtained without tender, being merely purchased by railway servants how and where they choose to bestow their patronage. Tenders, too, have been accepted for largely-consumed articles at prices that should never have been entertained, and in consequence the cost of maintaining the lines in the colony has been greatly and most unnecessarily increased. Heavy castings, giving a great profit to contractors, have been ordered and found useless, and an irresistible suspicion created that the protection of the public interest has not been made a first consideration in the transaction.

Importation of  
stores.

This system of obtaining railway stores from contractors in the colony should be at once discontinued, and all articles of large ordinary consumption imported. Precaution might be taken in future against the grave abuses we have pointed out, but still the fact would remain that the contractor must make his profit, which must necessarily be a large one to cover the risk he runs in being obliged to have stocks on hand to meet the uncertain demands of the department. In addition to this he has to pay the Customs duties, and expects a profit on money used for that purpose. It is evidently far from an economical arrangement to collect duties which are, in the end, paid by another branch of the service. We have ascertained that there will be no difficulty in estimating, from past experience, the quantities of each article likely to be used. There need, therefore,