members of the Second Division of the North Island on the Board, owing to the preponderance of members of the Second Division over those of the First in the service.

10. *Mr. Wilford.*] How do you mean—" preponderance "?—In numbers. The First Division is much smaller numerically than the Second.

11. *Hon. Sir J. G. Ward.*] In any case you recognise that whatever Board is constituted it can govern only under the law itself—there is no power for the Board?—There is practically no power for it. Of course, there are members who look upon the General Manager being there as undesirable, but I think that reasonable members of the service agree that there are certain officers of the Department which it is necessary should be there.

12. I presume that the employees recognise that where the State has a grave responsibility—which it has, quite outside of the men themselves—it must have direct representation on the Board?—Yes. They simply desire that the Second Division should be represented as I have indicated, if possible. They suggest that five should form a quorum. I mention that because it was decided by the conference.

13. I showed you the proposed alterations in the Bill—the alternative scheme?—Yes.

14. You have considered it?—Yes.

15. Is there any objection to it?—None whatever, beyond this: that we would like the premiums reduced. We think it is a very reasonable scheme indeed if we can get the premiums reduced somewhat.

*Mr. Wilford:* I would like to ask the opinion of Mr. Edwards and the men with reference to clause 23?

*Hon. Sir J. G. Ward:* I might explain that I propose to add to clause 23 a provision that while any member is in receipt of any payment under the Workers' Compensation for Accidents Act he shall not also receive payments under this Act.

*Witness:* Our conference suggested that clause 23 should be struck out altogether, but since we have discussed the matter with Sir Joseph Ward we think that the clause is not so objectionable as it might at first appear.

17. *Hon. Sir J. G. Ward.*] If the clause were struck out payments might still be made to members of the service under the Workers' Compensation for Accidents Act, for that Act applies to them?—Yes. As the clause stood it was thought that a man might receive under the Compensation Act much less than he would under the Superannuation Act.

18. *Mr. Guinness.*] What organization do you represent?—The Amalgamated Society of Railway Servants.

19. Where is the society's head office?—In Christchurch. We have branches right through the service, which include all members of the service who choose to join.

20. You have district branches throughout the colony?—Yes.

21. Have you taken the opinion of all these district branches on the Bill?—The matter was brought up at the conference held at Invercargill in March last. The Superannuation Bill had been printed by the society and distributed among the members, who had three months' notice before the sitting of the conference, and the delegates were instructed how to vote or give the opinions of the members; and they ruled upon this matter at the conference. It was the conference that suggested the sliding scale.

22. But this Bill is different from the one that was circulated last session and considered by your conference?—Yes; it is practically an adoption of the suggestions of the conference.

23. Do you think that sufficient provision is made in clause 7 to create the necessary levy from the men who have been in the service a considerable time and who are likely to retire shortly?—We think that with the premiums we have suggested it is possible to make ample provision for pensioning off those members; but that is only our opinion. A large amount of data that we would have liked to have got to work up statistics from we cannot get; and a lot of departmental records, containing information as to the ages of the men likely to retire, and so on, are not available. But we fancy that with the premiums suggested the fund could be worked. The statistics we originally compiled in support of our requests were based upon the Government subsidy, but the State now guaranteeing the fund our statistics do not exactly apply.

*Hon. Sir J. G. Ward:* I might state for the information of the Committee that if this new clause 7 is accepted on these lines as the one for the Bill I propose to ask my colleagues to give a direct contribution from the State the first year. My own idea is that it should be £10,000 or £15,000.

25. *Mr. Guinness.*] With regard to clause 23, suppose that a person gets a superannuation and has met with an accident just before retiring: do you think it a fair thing for the State to stop his superannuation while he is getting, perhaps, only a small allowance under the Workers' Compensation Act?—No, we do not think it would be fair that a member permanently incapacitated for duty should receive an amount which would be considerably less than he would receive under the Superannuation Fund.

26. *Mr. Collins.*] Do I understand you to mean this: providing the amount received under the Workers' Compensation Act is less than a man would receive under the superannuation scheme it should be supplemented so as to bring it up to the higher amount?—Yes. I think the maximum superannuation is two-thirds of a man's pay for a period. Well, if he got £2 a week for the rest of his life, that would probably be more than equal to what he would receive through an award under the Workers' Compensation for Accidents Act.

27. *Mr. Guinness.*] I want to draw your attention to this: a person who gets a superannuation under this Bill gets it for length of service; what he gets under the Workers' Compensation Act is a recompense for some injury. Why should the one be set off against the other? Have you considered that question?—No, I do not know why one should be set off against the other. It is a question whether you can agree that a man should receive the two. If so, so much the better.