

78. It would not go to the Chief Mechanical Engineer?—No. With regard to staff matters, I take all orders from the General Manager's office, but within the last twelve months I have had instructions to send applications for extra staff to the Chief Mechanical Engineer.

79. So that, if a foreman considers a man is not doing a fair day's work in the workshops, and the Manager agrees with him, it is not an altogether easy matter to discharge that man?—It is not. You must have a clear case and absolute proof.

80. In every case in which it is desired to dismiss a man the case may be submitted for trial?—That is so. The foreman, the Workshops Manager, and myself have to stand the risk of a case before the Appeal Board, and we have to go forward, and be cross-examined and questioned, and stick to our guns; so that a very clear case is wanted.

81. Does this method decrease or increase the efficiency of the shops?—In my opinion it decreases the efficiency.

82. Can the foreman or the Manager fine the men for breach of discipline?—No; nor can they punish them in any way. That is all done from the Head Office. We have power of suspension. If a man commits a very grave breach of the regulations we can suspend him, but there our power ceases.

83. Mention was made yesterday of men speaking to their superior officers in a manner that would not be tolerated in a private shop. Has any such instance come under your notice?—I cannot remember an instance, and I do not believe any foreman or manager would accept such a position as that.

84. Have there been any cases where recommendations have been made by the officers that the services of a particular man should be dispensed with, and have those cases been investigated during your time?—I dare say such cases have arisen.

85. What has the decision been?—I do not know that I can call to mind any particular case, but it is quite possible; in fact, I know there have been cases where the recommendation for discharge has been made, and it has not been acted upon.

86. That is what I want to know. Are the recommendations of the officers always taken?—Oh, no! In many cases we make no recommendation at all; the facts are stated, and the papers sent on.

87. Do you know anything about discontent amongst the men because of the manner in which the Classification Act is administered?—Well, I think that when the amended Classification Act came into force the matters were not very clear. There was a good deal of correspondence with the Head Office about it before final arrangements were made to pay the extra allowance. In the first place, the payment of the allowance was very restricted, and was very awkward to deal with. I do not know, however, that there was any great discontent; but representations were made both by Mr. Richardson and myself, and so far as we were concerned the matter was put on a much sounder footing. When men are now engaged on the class of work for which the extra allowance is to be paid, it does not really matter what position the man holds—he is paid the extra allowance so long as he is engaged on this work. Previously one or two men in a large department had to be selected, and at certain times two men could not do the work, and half a dozen would be required. Now, however, we have practically a free hand, so that any man engaged on this particular class of work can be paid the allowance whilst he is on that work.

88. Are persons who are admitted to the workshops during working-hours permitted to discuss matters with the men?—No one should be admitted except on an admission-ticket, and this ticket notifies that visitors must not talk to employees.

89. That applies to visitors of every class?—Yes, except those who come down with a letter of introduction from the Mechanical Engineer, and whom either I or Mr. Richardson personally show round the shops. I may say I have seen people in the shops who had not a permit. That was some months ago, and I gave instructions that people of that description must be provided with permits and shown round the shops by some responsible officer.

90. Is there a fixed percentage which you add to the cost of labour and material to meet the cost of foreman's salary, supervision, and so on?—Yes; 15 per cent. on the cost of wages and material.

91. Is there any charge made for interest and first cost of plant, &c.?—That I cannot say.

92. Is there any allowance for depreciation of buildings?—I cannot say.

93. You make no allowance for the upkeep of buildings, or rent, or first cost of buildings?—So far as I know, that is not done. So far as points and crossings are concerned, the percentage is not charged. Sometimes we make a very large profit, and sometimes a much less profit. But the price quoted is the net cost of wages and material. Those other charges have to come out of our profit whatever it may be.

94. *Mr. Niven.*] Can you tell us roughly how many men are employed in the boiler-shop?—I should say that Mr. Henderson has to control eighty or ninety men.

95. Are they mostly casual men?—A large proportion are permanents; but at the present time there are a number of casuals. We are running a night shift in the boiler-shop, for which there is a leading hand; so that there are two leading hands in the boiler-shop at present.

96. Does the leading hand do actual work, or does he supervise?—Supervises only.

97. He is really a second foreman?—An assistant foreman.

98. Would you be prepared to say that the boiler-shop was a very much out-of-date establishment?—I would not say that the whole place was out of date, but I would say that it could be very much improved. It is not large enough. More room is required, and many of the appliances are certainly considerably out of date.

99. Regarding the lifting appliances, do you think that the present buildings could be adapted so as to carry electric cranes?—I think so; the boiler-shop could.

100. Take the machine-shop?—Well, of course, the roof of the machine-shop is very low. That is a shop really that should be remodelled before any other, in my opinion.

101. *Mr. Roberts.*] Have you had any experience of hand-riveting?—We do a good deal of hand-riveting.