

in the grades between £315 and the maximum £700 together. Salaries, £315 to £700: 1907, percentage 6·66; 1908, percentage 7·60; 1909, percentage 7·24; 1910, percentage 6·89. Now I will take the grades below separately. This percentage is for officers only, exclusive of cadets.

3. *Hon. Mr. Millar.*] They are excluded in both services?—Yes, sir, when I made the comparison just now.

4. Are you excluding the cadets in the Railway service also?—Yes, just the percentage of officers in the grades. Under the old Act the sixth grade was £260 to £300, and no alteration has taken place in the maximum or minimum rates of that grade. Salary, £260 to £300: year 1907, percentage 7·94; 1908, percentage 7·01; 1909, percentage 6·22; 1910, percentage 5·74. Salary, £240 to £255: year 1907, percentage 10·62; 1908, percentage 10·56; 1909, percentage 10·07; 1910, percentage 9·35. The next grade under the old scale ranged from £210 to £220. To compare the percentages when the grade is altered is a very difficult matter indeed. Grades are grades, and there is a great difference between one grade and another, and to bring the salaries out of one grade into another for the purpose of percentages is in my opinion very misleading. Salary £190 to £220: year 1907, percentage 24·47. Salary £210 to £220: year 1908, percentage 20·86; 1909, percentage 21·18; 1910, percentage 21·30. That was an increase in 1910 as compared with 1909. Of course, the £220 grade is really a continuation of the £200, although there is a barrier at the £200 maximum. We know they do not go through without waiting a certain number of years at £200, and this is the second-lowest grade. Now I will deal with the grades on the actual-number basis. We maintain, and I think rightly so, if six years ago there was a certain number of officers in the £300 grade, that, owing to the increase in the service and the development of the country and the railway system, there should at least be that number now. In fact, we go further and we consider that there ought to be a slight increase. It stands to reason that the responsibilities must be increasing. Of course, so far as the salaries are concerned in our grades, the position is this: that it is only a matter of effluxion of time when the officer reaches the maximum in the grade provided the recommendation is suitable, so that for the purposes of comparison there is no use taking the average salary in the Railway service and comparing it with the average salary in the Postal service. We consider they reach the maximum if the recommendation is suitable. In regard to the actual numbers, I will take the grades separately, because I wish to make it as clear as possible. Under the old Act the salary of grade 1 ranged from £600 to £650, and under the Act of 1907 it was raised from £600–£650 to £625–£700. Grade 1: Year 1907, 4 members; 1908, 3 members; 1909, 3 members; 1910, 1 member. I am taking the grades only, and not including the General Manager or branch management. Grade 2: Salary under old scale, £520–£575; salary under new scale, £545–£600. Year 1907, 1 member; 1908, 1 member; 1909, 1 member; 1910, 4 members. Three officers were raised from the grade below. Grade 3: Salary under old scale, £425–£500; salary under new scale, £470–£525. Year 1907, 16 members; 1908, 14 members; 1909, 14 members; 1910, 11 members. Grade 4: Salary under old scale, £370–£400; salary under new scale, £420–£450. Year 1907, 18 members; 1908, 26 members; 1909, 29 members; 1910, 27 members. Grade 5: Salary under old scale, £315–£500; salary under new scale, £315–£500. Year 1907, 33 members; 1908, 42 members; 1909, 41 members; 1910, 41 members. Now I will come to the grades which the average man in the rank-and-file hopes to reach some day, and which I will endeavour to show it will be a very difficult matter to do. I speak of the grade £260 to £300, and I will take 1907 as a start, because it is just before the Classification Act was passed, and I am going to endeavour to show that it only benefited a certain section in the First Division. Grade 7: Salary, £260–£300—Year 1907, 86 members; 1908, 83 members; 1909, 79 members; 1910, 75 members. In 1910 there was only one man more in that grade than in 1906, and that is what we look upon as a service grievance. We consider that the grade has not been kept up in the percentage.*

5. *The Chairman.*] What positions would the men be in in that grade?—Stationmasters at stations like Wanganui, Hawera, New Plymouth, and suchlike. Then, in the next grade, No. 7 of the old Act and No. 8 of the new Act, £235–£250, there is practically no alteration. There again I maintain that the men in the rank and file certainly look forward to getting into that grade, and even to reach that grade it is a very difficult matter. It is a difficult matter even under the new scale passed in 1907, where a boy joins at sixteen years of age and reaches £200 after twelve years service because it will take him a considerable time to get through the £220 grade. Grade 7–8: Salary under old scale, £235 to £250; salary under new scale, £240 to £255. Year 1907, 115 members; 1908, 125 members; 1909, 128 members; 1910, 122 members. We will admit there was an increase in 1908 and 1909, but 1910 seems to have been a very bad year, there being a reduction of six on the previous year and three less than in 1908. Of course, we know there has been an increase in the revenue and that last year was a record year, and therefore we look upon this as a grievance. We consider that the service is going back, and that no openings are being made for the men in the grades below. No further elaboration is required except to say that the grade shows a reduced membership. Grade 8–9: Salary under old scale, £190 to £220; salary under new scale, £210 to £220. Year 1907, 267 members; 1908, 247 members; 1909, 269 members; 1910, 278 members. We will admit, of course, that there was an increase in the numbers in that grade, but they do not reach that position till after years of service. Now I wish to deal with a statement showing the number of officers and total salaries paid in each grade, taken from the D.–3 list for the years 1910, 1909, 1908, 1907, 1906, and 1905. It goes without saying that the reduced numbers in certain grades reduced the amounts paid in those grades correspondingly, but the point I wish to emphasize is this: that before the old Classification Act was passed there was a total number of 1,586 members including cadets in the First Division, and the total salaries for that year amounted to £285,340. That works out at salaries of £179 approximately, including cadets. In 1910 the amount for the year was £326,064, and the membership 1884, average salary £173, showing a reduction of £6 a head, or a total amount of

* See Exhibit A.