duties of his position shall be subject to reduction or such other punishment as may be determined." Is the Department carrying out the spirit and intention of the Act with regard to promotions?--Yes, it is.

98. Take the case of the Foreman of Works on the West Coast; he is now in the £220 grade?

99. What officer in the Department is blocking his promotion?—You come down then to the value of relative positions. I stated that distinctly the other day. You have to consider the value of the Foreman of Works as compared with the Stationmaster, Inspector of Permanent-way, and so forth. You have to compare them, and I stated definitely that when we had from 1896 to 1901 all those men separated in the Classification Act there was an eternal growl. The Inspector of Permanent-way complained, the Locomotive Foreman complained, Stationmasters and clerks complained--no one knew the relative position one with the other, and ultimately the Department agreed to adopt the same system as the Postal—i.e., to put them all into a common line in their relation one to another. There is a certain grade, and the men are graded irrespective of whether they hold the position of Foremen or clerks.

100. Does the promotion of, say, Inspector of Works depend in any way on the Foreman of Permanent-way or Locomotive Foreman?—Yes, it does—it depends on the relative value of the two positions. If an Inspector of Permanent-way is considered by the Department to be worth £220, £240, or £260, then the Department has to consider all the other men who are in front of him and in relative positions of importance. If you take this man down here, then you have to say, Very well, that is his position; but here is a Stationmaster, an Inspector of Permanent-way, and Locomotive Foreman all of the same relative importance, and the whole thing has to be considered comprehensively. I have a case in my mind which is à propos of the question. We had promoted a Second Division man to the position of Foreman and we had a howl from some of the clerks because this man was put in a position he had been trained for. The Department had great difficulty in convincing the three or four men who complained that he was put into a position that was not considered promotion for them. The man was an Outside Foreman, and here were the clerks wanting to go into competition with him straight away.

101. Do you think the promotion of a man in a particular Department should depend on the promotion of another man when one could not fill the position of the other-do you think

that is fair?—The Railway Department is a Department-

102. Very well, do you consider, taking a particular grade, that it is a proper system of promotion that a man in one branch should depend for his promotion on a man in another branch, when one man in one branch may not be able to fill the position of another man in another branch?—You come down to the relative positions. If one position is higher than another, then you have to decide as to the qualifications of the men, but so long as the positions are relative positions, then you have come down to the D.-3 list.

103. At the time the appointment of the present Traffic Clerk at Christchurch, was he the

next officer in order of promotion?—I think I have already explained that.

104. We will have it again?—The present officer probably was not the man who was first in order for promotion. The first suitable man was the Traffic Clerk at Wanganui, and he was put up at Wanganui to save the Department from having to put two round men in two square holes. The man in Christchurch had been born and bred there, he has got the whole of the local requirements at his finger-ends, and if we had pulled that man out and sent him to Wanganui we should have had to send the Wanganui man down to Christchurch, where he would have had to undergo for the first two or three years a training in local knowledge.

105. Then, was the Wanganui man promoted to as high a position as the Christchurch man?-

Yes, he was.

106. You say the Wanganui man was the next in order. Then between the positions occupied by the Wanganui man and the Traffic Clerk were there any other men who were suitable to fill that position?-There was no other man, so far as I know from memory, that had the local knowledge to fill the position, to take the work up and do it straight away.

107. Apart altogether from local knowledge, if a man is a competent Traffic Clerk he could fill the position, could he not?—I say he could not, and I say that in positions of that kind local knowledge is of very considerable value, particularly where you have to pull out your senior

assistant, which would have had to be done in Christchurch.

108. So that you may override the Act altogether so as to provide for this local knowledge?-

109. Why not?-We do not override the Act. We made one promotion in one case. Department was unable to make a shift round to: departmental reasons, but it put one man

up when it took another man out. 110. Had the Traffic Clerk at Invercargill any local knowledge when he went there recently?-Yes, the Traffic Clerk at Invercargill had knowledge of the Hurunui-Bluff Section. He had been in Dunedin for many years, and from the fact that he worked intimately with both sides he got a local knowledge, and that man is as good almost as the man on the spot. He was the best man available for the position. He had a good local knowledge of the Southland business.

111. Coming to the position of the Stationmaster at the Bluff, this was grade 6 before—grade £315-£355?—Yes. I touched on that matter on Friday last.

112. Were there no officers in grade 7 suitable in terms of Regulation 40 when this position was filled by a man in grade 8?-The Bluff is a 2300-a-year station. I told you on Friday that the Bluff was treated in the same way that we treated Carterton. This man was promoted while at the Bluff not because we raised the grade of the station, but to enable him to maintain his We naid him at the higher rate temporarily and intended to shift him, but in the meantime his health become bad, and he went off duty on sick-leave. We intended to shift him when he resumed duty, but, unfortunately, he died.