

The Chairman: I understood that the institute wanted the bottom grade maximum salary fixed at £200.

Mr. Ramsay: Yes.

The Chairman: And the maximum of the next grade fixed at £260.

Mr. Ramsay: Yes; and the next grade £315.

The Chairman: The next question that arises is, what would it cost the Department if the bottom grade were fixed at a maximum of £200 and the next grade fixed at £260, promotion to take place as at present.

Witness: That practically means the tenth grade remains undisturbed.

104. *Mr. Ramsay* (to witness).] Yes, it would be called the ninth?—The Postal has a bottom grade of £220, and that is what I call the side-track, and that is for men like Telegraphists and men of long service.

105. In regard to your statement, you said the cost the first year would be £6,820: do you mean by that the elimination of the ninth grade alone?—I could not say for sure. I worked out so many figures that I could not say what those were based on. I want to make the position perfectly clear to the Committee. I worked out the position on what I understood the institute was wanting, and before I quoted my figures I was careful to ask because I was in doubt. Certain members had put certain positions, and according to my way of thinking were in conflict, and that is why I asked.

106. I have got a statement here and I propose to put it in. I will read it and give you an opportunity of saying next day whether this statement is correct or not.* Have you any objection to that?—No, I think not.

107. Our idea is that the tenth grade will remain, minimum £120, as at present, and maximum £200, but under the new scale it would be called the ninth grade. This statement shows that the total estimated cost in four years would be £30,260. The yearly cost of the proposed scale would be—first year, £14,625; second year, £9,010; third year, £4,555; fourth year, £2,070. That, as a matter of fact, is the very highest estimate that can be made, because we recognize that some men could not go up. I propose to put this statement in and give you an opportunity of going through it and saying whether it is correct or not?—Yes, I should be glad to do that, because I want to be fair over the thing, and if I have misunderstood the position, well, I can only say I am very sorry. I saw the difference between Mr. Dennehy and Mr. McPherson, and I think Mr. Ramsay in his opening address made some statement. All our figures have been worked out on the Postal scale, but I will look into this statement you have prepared.

108. *The Chairman.*] I want to know, Mr. McVilly, if the fines are classified according to the offences, or have individual officers the right to fix fines—that is to say, has a man at the Bluff the right to fix his own idea of what a fine should be, and the same with the man at Auckland, or is there a scale?—No, where a man is recommended for punishment, or where a man commits a breach of the regulations, the reports are sent to the Head Office, and then the matter is referred to the Punishment Board to review the evidence and make a recommendation, and that recommendation is finally reviewed by the General Manager, who agrees or modifies the fine of the Board as he thinks fit.

109. You gave us a list of officers who left grade 10 in 1910—the men who resigned?—Yes.

110. Could you give us a list of the men who left grades 9 and 8?—I could give a list of the lot. A statement was made that a number of officers had resigned, and I had a list of the men taken out who had resigned during the last eighteen months, and that was the list I read out.

111. For the information of the Committee I thought it might have been better if those who had left grades 9, 8, and 7, were also referred to as well as those who left grade 10?—I can split them up.

ROBERT CARHAMPTON MORGAN examined. (No. 14.)

1. *The Chairman.*] What are you?—General Secretary of the Railway Officers' Institute, Dunedin.

2. I understand you wish to make a statement in regard to clause 7?—Yes. The clause in the petition reads—"7. That the system of promotion in the Railway service is defective by reason of the fact that efficient officers have been superseded by junior officers without a satisfactory reason being given to the officers who have been superseded." I do not propose to go into the matter at any great length, but I recognize that a statement of that kind cannot be made unless we are prepared to advance something in support of it. I will take simply one instance which proves, in my opinion at all events, that the system of promotion in the Railway service is defective to a certain extent. The case I intend to quote deals with four men who were in grade 5 of the service in 1906. They were No. 3, No. 9, No. 11, and No. 15 in that grade. No. 3 was Goods Agent, No. 9 was Stationmaster, and Nos. 11 and 15 Traffic Clerks. In 1907 Nos. 11 and 15 had somehow got ahead of Nos. 3 and 9 on the D.-3 list, and the numbers then read 11, 15, 3, and 9. The two men who were superseded or passed over appealed, I believe, but the appeal was never actually heard, and they were informed that they had been replaced where they were before, and when the D.-3, 1908, came out they found that that was so. Nos. 3 and 9 were back in the same positions again. But in 1910 No. 9 had got ahead of No. 3, and No. 11 had also got ahead of No. 3, so that the numbers were 9, 11, 3, and 15. My argument, sir, is that some of those men were wrongly treated. Either Nos. 11 and 15 were badly treated when put back, or else No. 3 was badly treated when passed over, put back in his place, and then passed over again. Three of them had long service in the New Zealand Railways, and the fourth a lot of service in the Old Country and a fair amount of service here in New Zealand. No. 3 was brought out here as a Railway Manager for a start, and he has been passed over for a Railway Manager's position. I do not intend to go any further into that clause. There are other cases which can be looked up, I suppose.

* See Exhibit E.