

3. *Mr. McVilly.*] Referring, Mr. Morgan, to No. 3, you say that in 1906 a certain position arose. Are you aware that the gentleman you have referred to went to the Appeal Board?—I understand that both went to the Appeal Board.

4. Are you aware that No. 3 went to the Appeal Board?—I am not aware of my own knowledge; I only understand so.

5. Do you not know that the case of No. 3 was actually put before the Appeal Board in Dunedin?—I was not aware that this particular case was put before the Appeal Board. I know he had a case before the Appeal Board, and that he lost it.

6. Well, on that occasion are you aware that the gentleman was advised fully as to what the opinion of the departmental responsible officers was respecting his qualifications and suitability for promotion?—No, I am not.

7. What was done with No. 9: is it not a fact that the positions held by Nos. 3 and 9 were regraded?—Well, there were a large number of positions regraded in 1908.

8. I am referring to 1906?—I could not say. It did not come to my knowledge before 1906. I understood that is how they stood in 1906 and previously.

9. Well, is it a fact that those two gentlemen were put back in their respective positions—that is, Nos. 3 and 9 as compared with Nos. 11 and 15?—On the D.-3 list in the following year.

10. Subsequently No. 3 was superseded by No. 9 and No. 11?—That is so.

11. Well, when No. 3 was superseded the second time did he go to the Appeal Board?—No, he did not.

12. Do you know the reason?—He told me that he did not think it was any use, as the Appeal Board was no good.

13. In other words, he knew that the case that would be put before the Appeal Board would be such as to satisfy the Board that he was unsuitable for the position?—I did not take that to be his meaning at all.

14. Will you say what you understood?—His opinion was that if he went to the Appeal Board and got a favourable decision it would be of no use to him, because it would be vetoed.

15. Can you state any case in which the veto has been applied in a case of that kind?—No, I cannot.

16. Now, you spoke of this gentleman as a Railway Manager: do you know the line on which he was Manager?—Yes, I do.

17. Can you tell the Committee the salary that he received at the time?—No, I do not know that.

18. Was it an important line?—Yes, it was.

19. Will you tell the Committee where it was?—It was the Midland Railway.

20. What was the mileage?—I do not know.

21. And you say it was an important position?—Yes, he had been there for some years when the Government took it over. It must have been a fair mileage. The work had been in progress for a good number of years.

22. What would you call a large mileage?—With a railway of that description—a railway opening up new country—I should say a hundred miles would be a fair mileage.

23. Well, when this gentleman was taken over by the New Zealand Government Railways can you tell the Committee what position he was put in?—I am not quite sure. I think he was made Goods Agent to start with.

24. At what salary?—I do not know that.

25. Well, seeing that the Department took him over as Manager and put him into the position of Goods Agent, is that an indication that the Department would have done anything that was unfair to him or was unfairly disposed to him?—I cannot answer that question.

26. Well, would you not regard it in your opinion as being an indication that the Department was inclined to deal liberally with him—that is, to take a new man over from a small private railway and put him into an important position?—I should take it as an indication that they dealt fairly with him if they put him into a position equal to that which they took him from.

27. Well, can you give me any other cases like this in 1906 in support of your statement that the system of promotion in the Railway service is defective by reason of the fact that efficient officers have been superseded. That is a general statement?—That is so. I quoted this one case in support of it because I thought that would satisfy the Committee. I have another case if you wish it quoted.

28. Yes, I should like it quoted?—It deals with the case of a man a great deal lower down—in grade 8 now. He was in the old grade 8 when the new classification was issued in 1908. After the 1907 Act had been passed he was placed in new grade 8. The position as I worked it out is as follows: In 1908 you will find him in new grade 8, and just about the bottom number in that grade. In 1907 he was No. 180 in old grade 8, and 179 men of various kinds ahead of him. Of the first 74 of those 179 men 36 were promoted; 13 of the 74 names were missing, and 26 passed over for departmental reasons. Of the remaining 106, 2 names were missing, and that left 103 that were passed over. Then the next in order was promoted—the gentleman I have referred to. Everybody in the Railway knows that some of the 106 were not suitable for this position, and no objection could be taken to their being passed over; but there were some men who could fill the position which he was promoted to, and they were passed over and did not get a satisfactory reason. Any of those who asked for a reason got one, I think. I was in the service at the time, and applied for and was given a reason, but it was not a satisfactory reason. Other members got a similar reason. That is another reason why we consider that that system is defective.

29. Was this an ordinary position or a special position?—It was a special position.

30. Then a selection was made, is that so?—Yes, a very long way down the list.