- 65. Mr. Ramsay.] The point of the institute is this, is it not: that where one officer supersedes another officer or officers, that the officer superseded shall receive a reason?—Yes, a satisfactory reason.
- 66. And I think in that direction representations were made by you as general secretary of the institute to the Railway Department?—That is so. I would not say by myself—it may have been made before I came there.
- 67. Representations were made by the general secretary to the Department that where officers were passed over they should be given a reason?—Yes, a satisfactory reason.
- 68. And did the Department make any promise in connection with that !— Yes, a promise was given that it would be done.
- 69. Did they ever adhere to that?—They might have at first, but it fell back into disuse afterwards.

## RICHARD WILLIAM McVILLY further examined. (No. 15.)

1. The Chairman.] You wish to make a statement in reply to the institute in regard to clause 7 of the petition?—Yes, sir. I submit on behalf of the Department that this is one of the most extraordinary statements made in the petition. Here we have a number of gentlemen representing the Railway officers of New Zealand. There are, at all events, five holding positions which they claim are responsible. Now, each of those gentlemen knows perfectly well that every year he has to report on the qualifications of every man working under him, and that those reports form the basis on which the various District Officers review the staff. I cannot speak from personal knowledge of what the practice is at the present moment on some sections, but I can say this from my own personal knowledge: that when the system was first inaugurated each District Officer obtained personally written reports from the various men in charge of the stations or goods-yards, locomotive-yards, and workshops, and all other branches of the service where a man had men under him. I know that at the present time the District Officers and the Foremen, Stationmasters, and Goods Agents confer at some time during the year respecting the men under them. When I say "confer" I mean that written reports are obtained in some cases—in fact, in most cases—and where the District Officer has any doubt I believe he makes further inquiry from the officer in charge of the man direct. Now, if this statement means anything it practically means that the Officers Institute is admitting that the members of the institute are not carrying out in a fair way the responsibility of the positions they are in, they are not discharging the responsibility of the positions they hold, and that they are not giving the Department the benefit of their own opinions and information respecting the various men that they have under their control. Now, that is what it means when you come down to bed-rock, because, so far as the Department is concerned, nothing will give the administrative officers greater pleasure and an easier job than to be able to accept without question the recommendations that are submitted to them year by year, to be able to take the list and deal with that straight away without having to ask any further questions. But what are the facts? There is not a solitary year passes in which the Head Office does not write hundreds of letters calling attention of the District Officers to the fact that the recommendations for the year do not compare with the preceding year's recommendations. I may say this: that if a man is stated to be unsuitable for promotion, or is otherwise reported adversely on in, say, 1909, and when the recommendation for 1910 comes in that man is reported on favourably, the Department does not stick that up. If there is a doubt, or if the man has been in trouble during the year, we make inquiry from the District Officer to know whether he is satisfied that his latest recommendation—that for, say, 1910—is justified by the man's conduct. If we get an answer in the affirmative we accept it—that is, we give the man the benefit of the doubt. Now, that, I submit, is a reasonable precaution which ought to insure efficiency. That is what we want. The Department recognizes full well that the strength of the chain is the strength of the weakest link, and we know if we have got an inefficient man in any position that that man weakens our system; but the inefficient man gets into his position on the report of the officer under whose immediate control he is working. The head of the Department wants efficiency; he cannot possibly have a personal knowledge of every individual man in the service. There are any number of men in the service that I do not know except by name. All we can do is to deal with the men on the D.-3 list on the recommendations that are made respecting them. I propose now to let the Committee see how we deal with these matters, and I want to say this: that this method of dealing with the men is not something that is born of to-day or vesterday, but it is a system which has been steadily followed for the last eight years. I have not got here the recommendations for those men who have been mentioned, but I have got the action that we took as a result of the recommendations. I could, however, easily get the whole of the correspondence if the Committee expressed a desire that way. Now, when the staff was reviewed in 1903 an officer who had consistently been recommended year by year, and who was known to be a very excellent officer, was reported on adversely. Now, if the Head Office had been in the habit of accepting, as it has been contended that it ought to accept, unquestioned the recommendations of the District Officers—which, as I say, are merely the reflex of the officers in the lower grade in immediate control of the men—that man would have had a grave injustice done to him. We did not accept it. We compared the recommendation of the previous year with the recommendation of 1903-4. After those recommendations had been compared, wherever there was a difference against the man the matters were brought under my notice. This letter was written in respect of this first officer: "10th December, 1903.—In making recommendations on H/69, the qualifications, not the wishes, of each member are the subject for consideration, and the recommendation should be made on that basis alone. If a member who is fit for promotion to certain positions declines when offered he has to suffer certain penalties as a consequence of his action, but it is utterly wrong to make a recommendation which will place a competent