

Hon. Mr. Millar: Yes, those are the words—"irresponsible Board."

Witness: Well, we submit that if that is the Minister's opinion of the Board it should not be allowed to exist in its present form, and that the Act should be amended so as to provide that the Appeal Board should be so constituted that both the Department and the officers would be equally represented on it, that it should be presided over by a Judge of the Supreme Court, and that its decisions should be final. I do not intend to trouble you any further at this stage, seeing that I shall have an opportunity of examining the report, and that I shall be able to make any remarks about that perhaps to-morrow. The first clause on which we propose to call evidence is clause 6, and I will call upon Mr. O'Loughlen to deal with that.

ARTHUR HERBERT O'LOUGHLIN examined. (No. 2.)

1. *The Chairman.*] What are you?—Goods Agent at Auckland.

2. Do you wish to make a statement in support of clause 6 of the petition?—Yes. I do not know whether it is necessary to make any statement in reference to the traffic having increased. I think it is admitted that the traffic has increased within recent years, but if necessary I will give evidence on that point.

3. We all know that the traffic has increased, but, still, it is for you to make what statement you think fit in support of your contention?—Well, the total earnings of the Department for the year 1908 amounted to £2,761,938; for 1909, £2,929,526; for 1910, £3,249,790; and for 1911, £3,494,182; and, notwithstanding that, where vacancies occur in a grade through resignation or otherwise the Department in many cases fills the position with an officer of a lower grade without promoting that officer to the grade in which the previous occupant of the position was placed. This means that the lower-paid officer is called upon to perform the duties and accept the responsibilities of the higher grade without an increase in salary. Consequent on this, efficient officers are deprived of the promotion to which they are justly entitled, and we are of opinion the Department is not carrying out the spirit and intention of the Act, or of Regulation 40, which provides that when a vacancy occurs or a new position is created the member standing longest at the next inferior rate of pay, provided he is competent, shall be promoted to the vacant position. Owing to these reductions officers are becoming discontented, as they see their prospects of promotion steadily and surely diminishing. During the last few years the traffic on the railways has increased very considerably, and we hold that where the traffic is maintained these positions should not be reduced. If the policy of reducing the emoluments payable to Railway officers is continued it can only have one effect, and that is reduced efficiency through the lack of interest officers will take in the performance of their duties; and another important aspect which should be considered is that suitable youths will not enter the service, as they will naturally look out for employment where they will have some reasonable prospect of advancement. We also draw attention to the large number of resignations from the service, which may safely be attributed to the above causes. That is all I wish to say.

4. *Hon. Mr. Millar.*] You talk about the large number of resignations: have you any knowledge of the number of clerks and Stationmasters who have retired and have applied for reappointment?—I only remember one who retired many years ago.

5. Would you be surprised to hear that there are many who have retired recently who have been applying for reinstatement?—It is possibly so, but I do not know of them.

6. You would not deny the statement I made that there has been a considerable number of ex-clerks and ex-Stationmasters who have been applying for reappointment?—No.

7. Those who have left the Department to better themselves and have failed?—No.

RICHARD WILLIAM MCVILLY examined. (No. 3.)

1. *Hon. Mr. Millar.*] You are Chief Clerk in the Department of Railways?—Yes.

2. You have read clause 6 of the petition?—Yes.

3. And you have heard Mr. O'Loughlen's statement in regard to it?—Yes.

4. And also seen Schedule A?—Yes.

5. Will you kindly give the Committee the Department's reply to the statements made?—I entirely disagree with Mr. O'Loughlen's statement. Probably the best reply would be to give the position in 1901, the position in 1910, and the position to-day, which are as follows:—

Percentages of Members in each Grade for Years 1901, 1907, 1910, and 1911.

Rates of Pay.					Percentage of Men in each Year.			
					1901.	1907.	1910.	1911.
£ 30-110	..	..	..	..	38-36	37-81	30-60	28-34
120-140	..	..	..	..	20-61	12-47	8-30	7-44
150-180	..	..	..	..	19-09	15-98	19-59	14-66
190-220	..	..	..	..	9-99	16-93	26-40	32-60
235-255	..	..	..	..	5-62	6-94	6-44	7-29
260-300	..	..	..	..	3-03	5-47	3-94	4-52
310-350	..	..	..	..	1-25	2-10	2-18	2-29
355-650	..	..	..	..	1-69	2-16	2-18	2-49
Over 650	..	..	..	..	0-27	0-07	0-32	0-32
General Manager	..	..	..	..	0-09	0-07	0-05	0-05
					100-00	100-00	100-00	100-00