

outside the Government service, and Mr. Graham also mentioned salaries paid outside, I should just like to say that recently in Wellington—and I presume this fact is within the knowledge of members of the Committee—the clerks in some of the mercantile houses endeavoured to form a union with a view to getting their wages raised and ensuring better conditions of employment, and I believe those interested made statements showing that the wages of clerks and other men in what were considered to be fair positions averaged £2 per week. At any rate, I went to some trouble in ascertaining the pay and chances of advancement for men in large firms in Wellington, and I have got here some particulars in regard to a number of the leading mercantile firms. A lad of more than average intelligence starts at £25 a year, then he gets £40 after three months' trial, then £50 in another three months, in a year from that he gets £75, then £100, £120, £140, and £160.* If an ordinary cadet started in the Railway Department at the same time as this lad of more than average intelligence started in one of the largest firms in this country, when the exceptionally good lad was getting £160 outside the ordinary boy in the Railways would be getting £150, and he would still have before him the £15 annual increments up to £180 and then two increments of £10 annually, £200. Now, at the point of £160 it is difficult to say even approximately how the salary of the good man in private employ would progress afterwards: the financial operations of the employer would be the determining factor. Then my information also deals with men employed in large departments—*i.e.*, the men in charge of departments. The head man gets £350; chief accountant, £400 to £500; shipping man in charge, £300 to £400; man in charge of legal securities, £300 to £350; and man in charge of correspondence, £150 to £250. These men are experts and specialists. Now, these firms are known to most people in this room—I have seen some of their balance-sheets and saw what their net profits were last year—and these are the salaries paid. I was given to understand they were the exceptions, and I know that one particular firm is regarded by other firms as an institution that pays princely salaries. I do not wish to labour that point any further. I am just using the information to show that taking the pay for outside employment in Wellington to-day and comparing it with the Railways, the Railway Department's scale is, at all events, quite as good if not better.

4. And the hours the officers work?—Yes, I know the hours they work.

5. Are you going to put that on record?—Those officers work from 9 till 5 under ordinary circumstances, and from 9 till they finish when necessary; and I know at some of the offices they are frequently back till 10 and 12 o'clock at night. I know that from my own observations.

6. *Mr. Graham.*] Do they get no remuneration for going back?—They get a bonus at the end of the year. It runs from £15 to £25 on the average in good years, and the officers' responsibilities are very considerable. Now, sir, with regard to the question of payment for overtime and the hours. The hours at railway-stations cannot be the same as they are in the post-offices: there is no question about that. The train services will not permit it, and the requirements of the public will not permit it either: that is recognized wherever railways are run. It is, moreover, fully recognized in all countries that the Railway staff in control of the trains has to work any reasonable hours that public convenience necessitates. I contend that nine or ten hours at country railway-stations are not unreasonable hours. I have frequently worked nine and ten hours and over at country railway-stations and never found it any great hardship. Of course, if a rule is to be laid down it becomes a question of finance for consideration of the Government. If the officers want an eight-hours day fixed, then it resolves itself into a question of cost, and funds to meet it. The latter question, of course, is outside the province of the Department altogether. The other day the suggestion was made by a member of the Committee that Parliament always passes the Railway estimates. That is perfectly true; but I should like to say in connection with that matter that up to the present time the Railway estimates as placed before Parliament have always provided for the maximum expenditure; but notwithstanding that, the estimates have been largely exceeded year by year, and I do not see that we can go on indefinitely adding to the cost of operating by increasing salaries that are already on a liberal scale. It is, of course, a matter that is quite outside my province, but it comes down to a question of £ s. d. every time, and if the prayer of the Railway Officers' Institute in respect to overtime and other things is complied with and the operating expenses increased, then the present financial results, so far as the Railway Department is concerned, cannot be achieved without an adjustment on the revenue side of the ledger. That is all I wish to say in regard to that matter.

7. You admit, Mr. McVilly, that when special conditions prevail it is necessary for the Railway officers to work overtime?—Yes, certainly, the same as other people have to.

8. Now, under similar circumstances the Postal officers receive payment for overtime: is that not so?—I do not know about "under similar circumstances."

9. Well, when they have to work exceptional hours—for instance, when Parliament is sitting and they have to work extra hours in compiling returns they are paid for it, also in regard to the electoral returns and perhaps taking off the Financial Statement?—Well, where the Financial Statement is taken off my experience is that the men are worked in shifts, and they take their ordinary shift and are not paid. The payment of overtime is provided for in the Postal Regulations, and the policy of that Department I am not going to discuss.

10. Do you know of any reason why the Postal officers should be paid overtime and not the Railway officers?—I have already given a general reply, and, further, I have stated that in the opinion of the Railway Department the Railway officers are well remunerated for all the services they perform.

11. You have said that before: that is your own personal opinion?—That is the opinion of the Department.

12. And you have also admitted that the privileges are given as a set-off against overtime and the difference in the leave between the two Departments, also the difference in salaries: you

* See Exhibit No. 11.