

unless entirely exonerated. Now, in many cases inquiries are necessary before dealing finally with offences, and where, owing to the difficulty in arranging for officers and witnesses to hold and attend at an inquiry, a man has been suspended for any length of time, the time the man is off is taken into consideration in finally adjudicating on the case and determining the penalty. The loss of salary is merely a concomitant to the suspension. The man, so far as the Department is concerned, is not regarded as being reinstated until he reaches the place at which he is again to take up duty. If he is suspended here and we transfer him to Napier, he is not considered to have resumed duty until he reaches Napier. Therefore he is under suspension. So far as removal is concerned, a man is given transport expenses and free passes for himself and family by rail, and he has only to pay the necessary expenses that anybody else would have to pay if shifting from one house in one locality to another. If a man is shifting from one house to another he has to pay his own expenses, and if he takes his family into a hotel during the time he has to pay the expense; while Railway men, on the other hand, would be given free transport for themselves and effects by rail. The whole point, in the opinion of the Department, is the question whether the wrongdoer is to be rewarded and to receive exactly the same treatment as the man who is doing his duty honestly and well for the Department. I want to make this point quite clear to the members of the Committee as well as to the members of the Officers' Institute: that the Railway Department does not want to severely punish any member of its staff: punishments that are imposed are inflicted after mature consideration, and after no end of trouble has been gone to by the head of the Department to get down to actual bed-rock facts. There is no question about that; and I will say further, for the information of the Committee, that there are many cases in which the head of the Department is blamed by some of the other officers because, in their opinion, he does not inflict severe enough punishment. An officer may recommend the dismissal of some one, and if it is not carried out he feels hurt and says, "It is no good recommending a man for punishment, your punishment is too light."

2. *Mr. Ross.*] And the same may be said the other way?—There are innumerable cases to show that the head of the Department takes a very considerable interest in the matter and goes to personal trouble to try and hold the scale of justice with equal poise as between the man and the officers. He only wants the officers and men to do the right thing; he is quite prepared to uphold them and does uphold them when they are doing right; but at the same time he has a public duty to perform, and has to deal out even-handed justice according to his views when offences merit punishment. I wish to indicate to the members of the Committee some of the expenses that the Railway Department is put to when officers and men unfortunately transgress the regulations. I instanced just now one officer who had been reduced because he did not do the right thing. In that case the Railway Department had to transfer a man with a large family—I cannot say now exactly the number—from Woodville to the other end of the South Island. We had to pay all that man's expenses for himself, his wife and family, and furniture. We likewise had to transfer another man from the Auckland District to fill a vacancy down here in the Wellington District, and then we had to bring a man from the South Island and send him to Auckland. All that was done at the expense of the Department because one officer who had been repeatedly warned had not taken the lesson to heart, but had let things slip, and finally he had to be dealt with and so reduced. Then we had another case in which three changes had to be made, and the Department likewise had to bear the whole expense. I am not saying that the institute, if they think fit, should not refer to this matter—they are quite right in doing so—but I am submitting now the Department's side, and I say that all the expense is not on the part of the wrongdoer. Very often the offence committed by a wrongdoer brings on the Department a very large amount of expense, and I think, sir, that in view of that fact it is not at all unreasonable for the Department to act as it is doing under the regulation. Now, with respect to superannuation, if a man is reduced he necessarily suffers reduction in his retiring-allowance, provided he is not reinstated in his former grade, but if he is reinstated in the former grade he may not suffer reduction—it depends entirely on the age of the man. He may get still further promotion into the higher grade, and he does not suffer then; but if he retires before he has been five years in the grade, then his retiring-allowance is based on his average salary instead of on the salary he receives at the time he retires, and his retiring-allowance may be affected. That is one of the things you cannot get away from; it is provided for in the Act, and the same condition prevails, I think, in the public service. That is all I wish to say in respect to clause 17, sir.

3. *Mr. Ramsay.*] Do you not consider, then, that a man in the Railway service is punished much more severely for a breach of the regulations than a man in the Postal service?—I am not discussing the Postal service, and I am not going to discuss it any further; but I will say this, that the punishments that are inflicted in the Railway service are only commensurate with the offences.

4. But you decline to compare the position in the Railway service with the position in the Postal service?—If you will give me any instances of punishment in a business the same as our own I will discuss them with you with the greatest pleasure, but I am not going to discuss the punishments in a concern where the conditions are altogether dissimilar.

5. Do you not consider that to compel a family man to pay all contingent expenses of transfer, in addition to reduction in salary from £5 to £55, loss of pay through suspension, loss of salary during transfer, loss of expenses incurred in connection with the transfer of family and effects, and reduction in value of superannuation retiring-allowance is a very serious addition to the maximum punishment contemplated by the Act?—No, I do not. I consider that a man who commits any offence under which that class of punishment is inflicted is, in very many cases, very fortunate to retain a position in the service.

6. But does it not necessarily follow that a greater hardship can be inflicted on a married man than on a single man?—You cannot take the domestic arrangements of the men into consideration: