

pointed out then the evils that were going to result to the service by classification—that is, as far as efficiency is concerned.

132. And with the steady growth of the service it will become more apparent?—Yes. Automatic classification does not make for efficiency—it makes for a marking-time process.

133. Are you ever consulted by me in regard to any matter when the General Manager is in Wellington?—No, not direct.

134. All instructions from me go to the General Manager?—Yes, that is so.

135. All conferences in regard to matters affecting the Railway business is with him alone, unless he is absent?—That is so.

136. *The Chairman.*] In connection with classification, Mr. McVilly, you seem to be averse to it. You seem to think it does not provide for bringing the best men to the top in the service?—I have always been averse to classification.

137. Then who is responsible for it—the Department, the Minister, or who?—I can give you the history of the classification in a very few words. I believe the classification was evolved in the minds of two gentlemen who were in the service at that time and who are now in the service. They thought classification would be a glorious thing, a panacea for all the evils that they considered the men in the Railway Department were suffering under. It was the same old argument—everything was to be automatic. There was a conference of officers held, and I think they sat for four weeks, speaking from memory, during which classification was the main item. There was a very great diversity of opinion between the officers who knew something about these matters and the ordinary rank and file who probably thought that everything should be automatic. That was the one idea. Well, ultimately a majority carried classification; then a deputation went to the Minister of the day and submitted certain proposals. The Postal Department had a classification, which was in the days of its youth then; the scale of pay was better than the Railway, and our people thought that because the Postal Department classification allowed Postal officers to go up to £180, the classification of the Railway service was going to be the finest thing on record. They were told what was going to happen, and were advised that what they should do was to try and get a reasonable scale of pay, and if they wanted to know the relative positions of each man in the service that they should not endeavour to lay down a hard-and-fast rule, but suggest to the Government that a list should be printed showing the names of the members of the Department. So far as classification was concerned, it was strongly urged that it should only apply automatically to the bottom class, which was then £140 a year. Beyond that there should be absolute selection by merit by the officers controlling the Department. Men of experience in the service then pointed out, as men of experience have done ever since and are doing to-day, that a system of that kind would act as an incentive and result in every man in the service trying to make himself efficient to secure promotion, which would then have been by merit. Instead of asking for that, they urged and got classification pure and simple—they wanted nothing else; and now they say it is most unsatisfactory to them. From the Department's point of view, there is the same difficulty, and the good men complain all the time.

138. *Hon. Mr. Millar.*] And it has always been so from the Department's point of view?—Yes.

139. That statement in effect is that the classification is the result of requests that came from the men themselves?—Yes, that is so—the result of requests from the institute for classification in 1894, 1895, and 1896.

140. Are other Departments of the Civil Service classified?—The Postal Department is, but I do not know about others.

141. Do you know if the same complaints regarding promotion exist in the Postal Department under classification as exist in the Railway Department under classification?—Yes, sir, but it is not so pronounced as in the Railway. Not a week ago I met a man in the Postal Department who was complaining very bitterly because he reckoned he was one of the most efficient servants and had been superseded by some one else. Some one else had got the position by seniority, and he thought he ought to have got it by superiority. He wanted to be judge.

142. *Mr. Witty.*] The whole question in the petition is the question of promotion, which, of course, means, or should mean, increase in pay. You are putting in a lot of evidence showing that a number of promotions have been kept back by certain officers. Could not something be done to compel those men to give a copy of the report they send to Wellington to every man who is affected adversely?—The evidence I have read is not in the direction of showing that promotion is kept back.

143. Well, unfair reports which may have had a tendency to keep them back?—The unfortunate thing is that the tendency has been the other way. There have been, of course, odd cases in which efficient men have not been recommended, and had we not taken the matter up they might have suffered.

144. But a great many cases might be missed?—Yes; but it is very improbable, although possible. There is a standing instruction that every man who is not recommended has to be told. That instruction was issued in 1903, and we have directed attention to it pointedly since. As there seems to be this difficulty, I think I can say on behalf of the Department that we will issue a standing instruction and have it embodied in the working appendices, and every officer will be compelled to do a certain thing, and if he does not he will have to be dealt with.

145. Mr. Ennis put the question to you that at some branches or districts there is a higher standard—that is, one officer believes in a higher standard than another, and therefore it will not always work out fairly?—I have already pointed out that ten years ago a certain standard was set. Everybody was told we wanted efficiency, and for the past ten years the heads of the branches have gone round regularly and reviewed the staff with the District Officers. The object of that is to see the fair thing is done. I know some men may require a higher standard, but there is a uniform standard so far as the Department is concerned, and the object of the heads of the branches going round and consulting with the District Officers is to see that no man sets up too high a standard and no man too low, but that all are dealt with on an equitable basis and on a common standard as far as it is possible to do it. You can only explain to a man what you