

22. Because on Friday you seemed to throw considerable blame on the members of the institute for not reporting such an instance. If the Head Office was aware of this and could not take any action, how could you expect the officers to?—I said definitely to the Committee that as a result we finally gazetted the regulation. That is what forced the Department into the position of gazetting the regulation you complain of.

23. But you did not deal with those particular offenders who were said to be knocking about?—Those particular offenders had I presume produced medical certificates to their District Officer or satisfied him, and the Department had to take them. It was the District Officer's duty to deal with them.

24. But if it were known in the Head Office, would you not write to the District Officer and make inquiries?—I have no doubt the District Officer was written to. Certainly the matter was taken up because, as I have already stated, we had not then gazetted that regulation.

25. That is making a general case of it: I mean this particular case?—I have no doubt at the time the case was properly dealt with—I have not the slightest doubt about that.

26. Could you produce the file in connection with it?—I dare say I could. It is, I anticipate, on the general sick-leave file. It would be very interesting reading, although not from your point of view.

27. It is in regard to this particular case?—I have no doubt there is some reference to that case on the file for sick-leave.

28. *The Chairman.*] You have a particular file for sick-leave?—A file for each section.

29. *Mr. Young.*] Might we ask for the file dealing with the five men which Mr. McVilly said caused a circular to be sent out?—I have not said anything about a circular, but I said that that was the cause of the gazetting of the regulation.

30. *Mr. Witty.*] Will you produce the section sick-files?—Yes. The Department dealt with the whole matter. That was the clinching-point in connection with the correspondence that had been going on for a long time in regard to malingering and the sick-leave, and I believe the records will show that that particular case was taken up. I cannot say from memory, as there are too many cases to deal with, and it is probably eighteen months ago. On this point of sick-leave, just to show what the position was, it would be within the recollection of members of the Committee that the matter was brought up in the House in regard to the leave on the Auckland Section, showing the position in which sick-leave had got into on this particular section.

31. *The Chairman.*] I am afraid it is not quite in order to refer to that at this particular stage?—Well, I will with your permission read the reply to the question later.

32. *Mr. Young.*] You quoted free passes and privilege tickets, Mr. McVilly?—Yes.

33. As a set-off against shorter sick-leave in the Railway Department as compared with the Postal Department?—I did not. I quoted free passes and privilege tickets to show that when Railway men were on leave they travelled either at a nominal charge, or without any charge, and so were able to get round at a cheaper rate and less expense than the Postal men, and consequently they enjoyed considerable additional advantages.

34. You quoted the same argument as a set-off against the low rate of pay as well?—I say that every item—and you are dealing with the whole matter—comes down to the question of finance. Every concession that the Railway man gets in the matter of privileges either in the direction of getting free passes when on holiday or travelling at a lower rate than other people can travel has to be taken into consideration. Each concession has a monetary value to him, and I showed by figures that the Railway man and his wife and four children could go up to Auckland and back and make a saving of £21 odd on that single trip compared with what is paid by other people.

35. But my point is that you quoted that as a set-off against the lower rate of pay, and now you are quoting it as a set-off against leave. Do you not think that we pay too dearly for the privilege if it is to be quoted in every case?—No, I do not, and the proof that the Railway staff recognize that they do not pay too dearly for it lies in the fact that they have never intimated yet their readiness to forego free passes and privilege tickets. The service as a whole has never done it, and you have to deal with the service as a whole and not with individuals.

36. Well, we are dealing with the officers?—Well, the officers have never told us they do not want the privileges.

37. Is it not contained partly in this petition?—There is a general statement as to a cash value; but you get the officers to put a straight-out proposal before the Department, and let the officers get the staff as a whole to agree to their proposals, and then we can discuss the matter.

38. You mentioned that the annual leave was very much in arrears at one time: did that apply to the South Island as well as the North Island?—It applied everywhere.

39. To the same extent in the South as in the North?—No, not so bad in the South finally, but it was pretty bad at one time.

40. Was not the cause of that arrears of leave due to the great extensions, opening lines and increased traffic?—No, it was not; it was due to the men going off on sick-leave.

41. Men who had no right to?—Men continually going off on sick-leave.

42. But do you not think the sudden increase of work, particularly in the North Island, was conducive to that—through working longer hours?—I do not think the increased work had anything to do with it. We hear too much about this increase of work, generally from the people who do not do much of it, too.

43. Do you know of any reason why the annual leave of the Railway officers should be less than the annual leave of the Postal officers?—Yes, I know many reasons. One is that the annual leave for the Railway officers is reasonably sufficient for the purpose of recreation, and another is the financial reason. You want to pile up the working-expenses of the Department all round, and is there any particular reason why Railway men should enjoy double privileges all the time? I see none.