

those tickets those undercharges can be accounted for during the following period. There is no hard-and-fast rule, and no rule of the Department to say, if a guard of a train makes an undercharge of 6d. to-day and 6d. in another period, that it has got to be included in the period's returns. Then if the work is done accurately and kept up closely as it should be day by day, when the three weeks and five days' work has been finished you know—and I used to know on Friday—the exact position. Most of the stations do know on the Saturday, and I know of quite a number of Stationmasters who still ascertain the position on Friday night. I do not know what the practice is now, but in my time every man made an effort to balance not later than Friday. Then, in regard to late trains, if he had a train going out at 8 o'clock at night, he made an effort to enter his books close up and balance at 6 o'clock, and when the last train went out at 8 o'clock he locked up the cash and went home. If there is a mistake made there is the machinery for correcting the error. With regard to the suspense account which has been talked about, where a ticket is paid for and issued from the Traffic Manager's office, that money is generally entered in the G/76 book. Take the case of a season ticket. When the ticket is ordered and paid for you have your debit and your credit. The general practice is to pay the cash in at once, and then you get the ticket and a debit note, and that is completed. If you have got a ticket on hand at the end of the month which has been paid for you simply make adjustments in the last day's accounts, using special forms provided for such transactions. Now, any errors that are made in one week ought to be discovered that week, and they certainly should be discovered before the end of the second week. There is no necessity for an error to be carried over from the first week to the third or fourth week till it is found. If that is the practice, then it simply shows that the work is not being done properly, and is not being done accurately or as efficiently as it should be done or in accordance with the instructions. If books are closed off, as it has been suggested they should be, at 2 o'clock on the Saturday, then there is no doubt about this: it might allow the booking clerk to balance on the Saturday, but it is going to give the booking clerk the opportunity of dealing improperly with the cash on hand, and which has got to be carried over into the next period, for making up deficiencies which may have occurred during the period, to a greater extent than is possible at the present time, when the books are closed off at midnight on Saturday if there is a train running that late, and all cash to that hour taken to account. Now, it may be contended that this does not make any difference. Well, the Department's experience is that where men have a considerable amount of cash to carry over or on hand on Mondays up to banking time—a sort of floating capital to work upon—then it does make for irregularities. Instances could be quoted in which the cash for Monday has been worked on to make good receipts for the Saturday. Generally speaking, Saturday is a bigger day than Monday—it used to be at all events—and if there are large takings on Saturday and small takings on Sunday, there is not the same opportunity of using the cash irregularly as there would be if increased amounts were on hand and being held over. The greater the amount of capital on hand to carry forward from one period to another, then the greater the risk if men are dishonestly inclined: there is no question about that. In one case well known to Railway officers the method adopted was partly to work on the cash and partly to work on paper credits, and that system was operated on to a very large extent. I am not suggesting that continuation of the present system would prevent that altogether, but what I am contending is that an alteration in the direction of allowing the booking clerk or Stationmaster a larger amount of cash on hand would be an increasing temptation, and give him increased opportunities for fraud if he were so disposed.

3. It would be a simpler method putting it forward instead of putting it back, and so have the last cash to deal with on the Monday. Instead of balancing up on the Saturday night you would balance up on the Tuesday or Wednesday?—So far as the balancing-up on Saturday night is concerned, it is not essential for these men to stop and balance up at the close of the day's work; they could balance up to 8 or 9 o'clock at night, whatever time the bulk of their work ceases, and they then have only the odd transactions to deal with; and I know from my own experience that that is what used to be done by a large number of our officers. Some men will put off things as long as they can, and others will do them straight away. It is the same with abstracting. Some Stationmasters go round and see that the abstracts are kept up by the men as close as it is possible to keep them up. Sometimes it is done day by day, and in other cases perhaps every two days; then others simply let the thing go from day to day, and tell the cadet or clerk that they want something done, but do not see that it is done. In such cases, at the end of the week, instead of having a day's abstracting to do there will be the whole week's. You cannot get away from that by any system, and no extension that was given would prevent it. In fact, the longer time the greater the chances, I should say, of that system of dealing with the work extending. Generally speaking, however, the contention of the Department is that there is not the slightest necessity for this Sunday work so far as the accounts are concerned. Outside of the places where the booking clerks have to go on for Sunday trains there should be no necessity for any accounting work at all. Where these men are brought on at certain stations where the arrangement is approved, in which the District Officer has to satisfy himself that it would be an advantage to the Department to have these men on to balance up, they get paid for the Sunday duty. That, I believe, is correct. I fancy it is done in Dunedin and Auckland, but I am not quite sure; at all events the Department pay for Sunday duty there. We have had a good deal of trouble over this question of Sunday duty, and I am not prepared to say definitely at the present time whether the men at Auckland and Dunedin do get paid, but I believe they do. Wherever the District Officers have said they regard this as being essential the Department has approved of Sunday pay. What is contended, however, is that the system should be extended, and we know from the applications that come before the Department that to give way to the request would have simply meant that before any great lapse of time all sorts of men would be finding it necessary to come on duty on Sundays at all sorts of times on some pretext or another. Now,