Exhibit No. 3.

Railways Department's Statement.

A FEW TYPICAL CASES WHERE THE DEPARTMENT HAS INCREASED THE PAY OF POSITIONS.

District Engineer's Office: Auckland—Blackburn promoted; Wellington—McMaster promoted; Christchurch—Young promoted; Dunedin—Burnett promoted; Invercargill—McCartney promoted.

Chief Engineer's Office: Chief Draughtsman made Office Engineer; Second Draughtsman promoted to grade 6.

Chief Mechanical Engineer's Office: Second clerk promoted to grade 6.

Traffic Clerks: Auckland—Brownlee promoted, grade 7 to 6; Auckland—Second clerk promoted grade 8 to 7; Wanganui—Mellor promoted, grade 7 to 6; Wanganui—Third clerk, Wright, promoted, grade 9 to 8; Wellington—Bowles promoted, grade 6 to 5; Wellington—Second clerk, Jeffares, promoted, grade 9 to 8; Christchurch—Second clerk, Grant, promoted, grade 8 to 7; Christchurch—Third clerk, Andrews, promoted, grade 9 to 8; Dunedin—Traffic Clerk promoted, grade 6 to 5; Dunedin—Second clerk, Cameron, promoted, grade 8 to 7; Dunedin—Third clerk promoted, grade 10 to 9; Invercargill—Traffic Clerk, McDonald, promoted, grade 7 to 6.

Stationmaster in Charge, Westport—Grade 6, now District Traffic Manager, grade 4.

District Traffic Manager, Greymouth—Grade 5 to grade 4.

Stationmaster in Charge, Gisborne-Grade 8 to grade 7.

Traffic Inspectors: W. A. Wood, Wanganui—Grade 7 to 6: E. A. Dawson, Wellington—Grade 7 to 6; A. T. Ennis, Invercargill—Grade 8 to 7.

Locomotive Engineer's Clerks: F. J. Parson, Newmarket--Grade 8 to 7; O. E. Naughton, Petone-Grade 8 to 7; C. Loveday, Addington--Grade 7 to 6; E. H. Seager, Addington--Grade 9 to 8.

Several cases of Workshop Foremen promoted.

Stationmasters: Frankton—grade 8 to 7; Taumarunui—grade 9 to 8; Taihape—grade 9 to 7; Addington—grade 8 to 7; Balclutha—grade 8 to 7; Christchurch—grade 6 to 5; Dannevirke—grade 8 to 7; Dunedin—grade 6 to 5; Feilding—grade 9 to 8; Foxton—grade 9 to 8; Greymouth—grade 9 to 7; Hastings—grade 8 to 7; Huntly—grade 9 to 8; Mercer—grade 9 to 8; Lyttelton—grade 6 to 5; Marton—grade 8 to 7; Morrinsville—grade 9 to 8; Otira—grade 10 to 9; Paeroa—grade 9 to 8; Pahiatua—grade 9 to 8; Waipukurau—grade 9 to 8; Wellington—grade 6 to 5.

Goods Agents: Auckland (formerly Chief Goods Clerk)—grade 7 to 6, and 6 to 5; Wellington (formerly Chief Goods Clerk)—grade 7 to 6; Christchurch—grade 6 to 5; Dunedin—grade 6 to 5.