

Exhibit No. 7.

Railways Department's Statement.

ESTIMATED COST of adopting the SCALE submitted by the RAILWAY OFFICERS' INSTITUTE, worked out on the Basis of Figures submitted by the Institute.

Grade No.	Number in Grade.	Extra Cost.				Total.
		First Year.	Second Year.	Third Year.	Fourth Year.	
	£	£	£	£	£	£
1	1	25	25	25	25	100
2	4	265	365	465	565	1,660
3	11	375	650	925	925	2,875
4	6	360	510	510	510	1,890
5	27	1,125	1,665	2,070	2,070	6,930
6	41	1,580	2,400	3,220	3,220	10,420
7	75	2,655	3,780	4,905	5,655	16,995
8	122	2,660	4,490	6,320	7,540	21,010
9	278	2,660	6,830	10,970	11,330	31,790
		11,705	20,715	29,410	31,840	93,670
Less scale increases Department already committed to		1,245	1,580	1,805	1,905	6,535
		10,460	19,135	27,605	29,935	87,135

NOTE.—The institute's statement gives the total cost for four years as £30,260 : their statement is therefore inaccurate and misleading, and understates the position on their own showing by no less than £56,875.

In fifteen years the cost, based on the figures above, would be 29,935 + 11 + 87,135 = 416,420
 To provide for the promotions on basis stated in institute's table, fifteen years, taking
 their lowest basis 61,665
 £478,085

This is without taking into consideration the tenth grade, who must go up and would be at the top in less than fifteen years.

The Department's estimate of the cost of giving effect to proposals based on past fourteen years' experience is £1,082,095.