

with the requirements it might appear possibly somewhat complicated. It is, however, the result of years of experience, and it is the result of very close application on the part of experienced accountants cognisant with the requirements of departmental book-keeping, and I think I am right in saying that the book-keeping of the Government service differs somewhat from the book-keeping of a private shop. For this reason: that the Government Departments have to furnish very elaborate reports at the end of each financial year. The Railway Department, for instance, has to submit a full Railway Report to Parliament each year, which is of a most exhaustive nature. The accounting system, as I say, is the result of very many years' experience on the part of our expert accountants, and, so far as I know, meets the requirements reasonably well. I have already supplied the Commission with a set of the accounts.

5. I think you have two X engines completed and running?—Yes.

6. The Board would like to know the cost of manufacture?—We have two completed, and six more in the course of manufacture. The third engine is ready for shipment—that is, it is practically completed, but it is not re-erected at Petone. The fourth X boiler is almost finished, and the rest of the eight are in a more or less forward condition.

7. You are unable as yet to provide the Commissioners with the cost?—I have got the list here of the cost up to date for the wages and material for the engines proper, for the boilers, and for the smith-work; but that is spread over the whole eight, and the job-number for each of these items—engines proper, boilers, and smith-work—are three separate orders each for the eight engines. The quantity of the material imported for the purpose has been already charged to one or other of these job-numbers.

8. The reason you are unable to supply the particulars is that the batch of eight engines are being built simultaneously?—Yes, and being dealt with as one batch.

9. One of the witnesses, Fitter Sloane, mentioned that he had been in the service some twenty-three years, and was still rated as a casual hand, although occupying the position of tool-room fitter. Has this service been continuous or broken?—It has not been continuous. Fitter Sloane's statement was hardly complete. Fitter Sloane joined the service in 1887. In February, 1899, he voluntarily retired from the service to take up a position in the tramway sheds, thinking, so I understood at the time, that he was bettering himself. I know the circumstances. After going to that work in the tramway sheds for ten months, he came to Addington again and begged for a job. He had in the meantime discovered that he had not bettered himself. I remember the circumstances of his coming back. He was taken back into the shop, but on account of his age he could only come on as a casual. Prior to his leaving in February, 1899, he was a permanent hand, but after the break of ten months, necessarily, under the regulations, he could only join as a casual.

10. He was above age?—Yes. He was over thirty-four years of age, which was the maximum age at which a man could enter the service with a chance of becoming a permanent employee. His break was at his own instance, and necessarily he came back as a casual, and as a casual he has remained since. I might add that quite recently there has been some idea of putting certain casual hands, entitled or deserving of it, on to the permanent staff under certain conditions, one of these conditions being that he must pass a doctor. I regret to say that in Sloane's case he was unable to pass the doctor, and therefore still remains a casual hand. I would like to add, as a matter of information for the Board, that Fitter Sloane is a very excellent workman, and we regard him as such; but, unfortunately, through his own action he broke his service, and has naturally had to suffer.

11. He suffers under two disabilities—one broken service and the other inability to pass the medical examination?—Yes.

12. Can you tell us the reason for discarding the use of the drop-hammer at Addington?—The reason, I understand, is that in the first place steam-hammers were put on to do work which the drop-hammer did previously; in the second place, the drop-hammer was in an inconvenient location. Now that the amount of stamping has got almost beyond the capacity of the existing steam-hammers to deal with conveniently, it has been decided to bring the drop-hammer again into use. It has been removed to a new site, and will be used regularly for the purpose for which it was designed, as a supplementary tool for stamping purposes.

13. Do you prefer steam-hammer stamping to drop-hammer stamping?—That is a question that could be answered this way. It depends very largely on the nature of the work. There are many jobs which I would rather do under the steam-hammer, and others which I would rather do under the drop-hammer. It is very largely a question of the work.

14. Are you satisfied with the present arrangement of power-supply at Addington?—Not at all; and in my address to the Commissioners I have dealt with that somewhat fully on that account. It has been under consideration repeatedly to rearrange the Workshops machinery, and to either electrify or to group and drive by a suitable producer-gas apparatus. Up to the present, however, the large outlay involved has precluded any action.

15. What is your opinion as to the probable rate of increase or otherwise in the future of repair and new work at Addington and in regard to the railways generally?—Of course, with regard to the Hurunui-Bluff increase—I give it merely as my own personal opinion—the ratio will be comparatively slow. That I base on what I read with regard to the gradual extension in the settlement. So far as the North Island is concerned, if the extension of settlement goes on there as has been predicted by many people who should be in a position to give a sound opinion, I should imagine there will be a lot of work yet to be done at Addington for the North Island Railways in the matter of building engines and railway stock—more than the North Island can cope with on its own account. But, as for the rate of increase, I would not dare to put a definite value to it.

16. I suppose you could give the retrospective increase?—I could give you a portion of it, and will have it prepared for you.