			laries and Wages.	Revenue.
Expenditure :			£	£
1924	 		4,070,901	6,984,211
1925	 		4,385,704	7,112,254
$1926\ldots$	 		4,610,662	7,589,274
$1927\dots$	 . ,		4,745,015	7,423,472
$1928\dots$	 		4,811,671	7,343,845
1929	 		4,884,136	7,524,864
1930	 		5,197,956	7,473,993

The staff variations for the years 1925 to 1930, due to some extent to the employment of casual labour to meet the unemployment problem, were:—

					Increase.	Decrease
1926					 734	
1927					 <b>478</b>	
1928				• •	 53	
1929					 	66
1930		• •	• •		 857	
					${2,122}$	
L	ess	• •	• •		 66	
Total increase		• •		 2,056		

The opening of 220 miles of new lines and the running of additional trains combined with increased hours worked on some lines and an increase in goodstonnage necessarily involved some additional staff being employed. Nevertheless, the evidence shows that the staff is now and has for some time past been in excess of requirements.

Between November, 1926, and October, 1928, there was a surplus in the workshops varying in number from a maximum of 172 to a minimum of sixty men. Their wages cost from £854 to £2,957 per four-weekly period, the gross amount for the twenty-six periods covered by the dates specified being £45,753. Recommendations in regard to the disposal of these men were made, and they were notified that their engagement would be terminated on a specified date. The notice was subsequently withdrawn, and the men were retained. A gradual reduction in this number was ultimately brought about by voluntary retirements.

Your Commission appreciates that conditions may arise under which it may be necessary to require the Railways Department to provide relief work for unemployed, but is of opinion that in such cases the Department should be subsidized on the same basis as local bodies in respect of the wages expenditure incurred.

A review of the staff establishment was commenced by the General Manager prior to the appointment of the Commission. Some further progress has since been made, and the evidence placed before us shows that when the proposals are finalized and brought into operation substantial economies will be effected in respect of the portion of the service that has been reviewed. A further and substantial saving should accrue as the result of examination into the staffing of several important branches now engaging attention.

First Division.—This Division, comprising the managerial and clerical staffs, in all branches, has a personnel of 3,449—including 245 casual office staff—and is subdivided into: (1) General management; (2) branch management; (3) salaried staff.

Salaries are fixed at an annual rate, those in excess of £765 being subject to vote of the Legislature. Rates of £765 and under are provided in the schedules gazetted from time to time. There are eight ordinary and three special grades into which staff in receipt of salaries up to £765 are graded and appropriate rates for each of the respective grades.

Thirty-eight hours constitute a working-week in head and departmental and district offices, as also at eleven main stations, and forty-eight hours a week in all other offices and stations. Where night duty is regularly worked the duration of the shifts embracing the hours midnight to 4 a.m. is limited to seven hours.