Comparing the figures in the foregoing table for the years 1928 to 1930, your Commission finds that the personnel of the administrative and special Grade 1 has increased from fifty-one to fifty-five and the cost from £43,205 to £47,020, an increase of four in personnel and £3,815 in cost. The average salary of the twenty-seven administrative and branch officers in 1930 was £1,011.

For the same year the personnel of the ordinary grades 1 to 4 inclusive increased from 357 to 381 and the cost from £167,135 to £178,840. Increase in number, twenty-four, and in cost, £11,705.

The following comparative table gives the strength of the staff in the administrative and branch offices as at 31st March on each of the years named:—

75 51 22 43	75 50 22 46	73 48 13 51	75 58  51
22	22	13	
43	46	51	51
10			
67	64	66	63
147	156	165	161
24	26	27	28
13	13	13	13
22	22	23	23
1.0	16	16	16
		22 22	22 $22$ $23$

Your Commission is of opinion that the staff employed in all the administrative offices is too large at the present time, and that close investigation in that connection should be made for the purpose of reducing expenditure on that behalf.

The amount paid for travelling expenses and allowances in 1928 was £87,336, and in 1930 £97,015. The increase is mainly due to the cost incurred in sending officers abroad, the necessity for travel in connection with new works under construction, and activities of the Commercial Branch, cost of Appeal Board, and increase in the regulation allowance.

All members of Division I when specially booked on duty on a Sunday or departmental holiday are paid for a minimum of four hours.

The summary attached shows the cost incurred in connection with staff regulations which have been more particularly referred to under the headings of Division I and Division II. The total amount is £462,911, indicative of the extent to which the expenditure is influenced by the conditions imposed by regulation. Free passes and privilege tickets issued to members of the Service afford them a substantial benefit in respect of travel.

Second Division.—This Division embraces all outdoor staff, including workshops employees, and numbers 15,961, including 5,253 casual hands.

Crossing and bridge keepers and tablet-porters are paid at a rate per day, night-watchmen and female waiting-room attendants at a weekly rate, and all other employees at a rate per hour.

The working-conditions vary in the different branches of the Department in respect of both hours and overtime.

					——Hours——		
				Per Week.	Per Day.		
Tablet porters at stations where duties are intermittent				56			
Crossing and bridge keepers where duties are intermittent				60			
Locomotive drivers, firemen, cleaners, depot chargemen				44	8		
Workshops (locomotive and maintenance and signals) and	all ot	her locon	$_{ m iotive}$				
employees other than running				44			
Tablet-porters, night-watchmen, crossing and bridge keepers,	, femal	e waiting-	-room				
attendants, and messengers	•			48			
Guards, porters, shunters, signalmen, crane-drivers, horse-dri	vers, a	nd storem	en	<b>4</b> 8	8		
Permanent-way and line gangs (Maintenance Branch)				• •	8		

In the Locomotive Running Branch (drivers, firemen, cleaners, depot chargemen, and night foremen of cleaners) overtime is paid for as follows:—

For all time worked in excess of eight hours and not more than twelve hours in any shift, at one and a quarter times the member's ordinary rate of pay.

For all time worked in excess of twelve hours in any shift at one and a half times the member's ordinary rate of pay.