

*Staff Control.*—The control of the Department is by Act vested in the Minister, the executive head being the General Manager, who by statute acts as directed by the Minister. In so far as the General Manager is concerned, his powers are restricted to the very narrowest limits. In regard to staff he may appoint casual hands only, and must obtain Ministerial approval in respect of all appointments to the permanent staff, increases in pay, promotions, reductions, transfers, and dismissals.

Your Commission is of opinion that, in line with ordinary business practice, the control of the staff should be vested in the General Manager. We think that no system can be satisfactory which does not enable the responsibility for the efficient and economical working of the Department to be definitely fixed on the executive head. This matter is, of course, one aspect of the general system of control of the Department which is dealt with elsewhere in this report, but efficient control of the staff is essential to the successful working of the Department, and the need of an alteration in this connection along the lines indicated herein is necessary, and we therefore desire to emphasize this phase of the Department's organization.

Your Commission has in another portion of its report recommended increases in rates to bring in additional revenue. In making this recommendation your Commission has had prominently before it the necessity for reduction in the operating expenditure, which should go hand-in-hand with the increase in revenue. We are of opinion that many of the working-conditions embodied in the staff regulations, and which were granted under circumstances widely different from those now prevailing, are not justifiable under present-day conditions, and that the time has arrived when a more equitable arrangement should be made.

We therefore recommend that the whole of the staff regulations should be very thoroughly overhauled with a view to effecting economies in expenditure; also that the staff establishment in all branches should be subjected to the closest scrutiny and be brought within the narrowest limits of the actual business requirements, so that the expenditure of the Department on account of salaries and wages would bear proper relation to the revenue.

The matters to which we more particularly refer are:—

First Division: Payment for Sunday duty and departmental holidays, and subsequently adding the same holidays to annual leave.

Second Division: Allowance for meals, correspondence, standing-time, payments for night duty, including between the hours of 10 p.m. and 6 a.m. and all overtime rates before a full ordinary day has been worked, and the forty-four hour week now applicable to Locomotive Running Branch.

#### SUMMARY OF COST.

##### *Division I only.*

	Cost per Annum. £
(1) Time off in lieu of time worked in excess of forty-eight hours per week—cost of providing relief .. .. .	6,900
(2) Payment in respect of time worked on Sundays, Christmas Day, Good Friday, Anzac Day, Sovereign's Birthday, and Labour Day (not including cost of days on annual leave) .. .. .	16,000
(3) Sick-leave .. .. .	11,000
(4) Cost of granting annual leave .. .. .	90,000

##### *Division II only.*

(5) Overtime payments at rates over and above ordinary rates for time worked as overtime (including a sum of £3,035 to members of Locomotive Running Branch in respect of time worked in excess of forty-eight hours per week).. .. .	58,181
(6) Payment of ordinary night rates <i>over and above cost at schedule rates</i> (including the sum of £4,500 paid to cleaners) .. .. .	48,513
(7) Payments at additional rates for time worked on Sundays, Christmas Day, Good Friday, Anzac Day, Sovereign's Birthday, and Labour Day (not including cost of days on annual leave) .. .. .	20,000