

(c) No apprentice shall be eligible for retention in the service upon completion of his apprenticeship unless he shall have obtained at least 65 per cent. of the maximum marks at three of the annual examinations referred to in subparagraph (a) of this paragraph.

(d) No apprentice shall be eligible for retention in the service upon completion of his apprenticeship unless he shall have obtained 65 per cent. of the maximum marks allotted in pursuance of subparagraph (b) of this paragraph in each and every year during his period of apprenticeship: Provided, however, that if any apprentice shall fail to obtain the required standard in the first two years of his apprenticeship, but nevertheless obtains an average of 65 per cent. over his full period of apprenticeship, such apprentice shall be deemed to have obtained 65 per cent. in each and every year of his apprenticeship. Nothing in this subparagraph shall be construed as a waiver on the part of the Minister of Railways of his right at any time to dismiss any apprentice under any other power that he may have in that behalf.

(e) Nothing in this paragraph shall be construed as binding the Department to retain the services of any apprentice upon completion of his apprenticeship.

(f) Subparagraphs (a) and (c) of this paragraph shall not apply to apprentices in branches other than the Locomotive or Maintenance.

(3) (a) This paragraph shall apply only to the Locomotive and Maintenance Branches.

(b) There shall be available for award annually two or more scholarships tenable for four years each.

(c) The scholarships shall be open to tradesmen who shall have completed their apprenticeship not more than two years before the award and to apprentices whose period of apprenticeship will expire before the due date of the award of the scholarship.

(d) The scholarships shall be awarded on the basis of the highest all-round qualifications in learning, tradesmanship, and character.

(e) Scholarship-holders shall serve for the year following the completion of their period of apprenticeship at their own trades or at some occupation (as determined by the Permanent Head) related to the trade of the scholarship-holder in each case, and thereafter shall receive three years' special training by the Department as follows:—

(i) One year's training in a drawing office.

(ii) One year's training in shop management.

(iii) One year's training in the Locomotive Running Branch, or on such technical work as the Permanent Head may consider to be of mutual value to the scholarship-holder and to the Department.

(f) During the last three years of the scholarship, the scholarship-holder will be encouraged to qualify for the Engineering Preliminary and Entrance Examinations of the University of New Zealand, or for the examination for associated membership of the Institution of Mechanical Engineers in England.

(4) (a) This paragraph shall apply only to the Locomotive and Maintenance Branches.

(b) The holder of a scholarship under the provisions of paragraph (3) of this regulation, provided he has, prior to the award of such scholarship and before he has reached the age of twenty-one years, passed the Engineering Preliminary Examination, may be granted leave of absence on full pay not exceeding five hours in any week during the terms of the university college in his district in order to enable him to "keep terms" at such college with a view of passing the Engineering Entrance Examination.

(c) Any such scholarship-holder who shall pass the Engineering Entrance Examination before he has reached the age of twenty-three years shall become entitled to a two-years course at the School of Engineering of the Canterbury University College, and at the discretion of the Permanent Head (provided the scholarship-holder has made and is making satisfactory progress at his studies) may be granted an additional year to enable him to qualify for the engineering degree.

(d) Every scholarship-holder who shall take advantage of the provisions of this regulation shall be required to remain in the Railway Service for at least three years after the completion of his course, and must, before he embarks upon the course, undertake so to remain, and, if required by the Permanent Head, he shall enter into a bond, with or without bondsmen, in that behalf, but this subparagraph shall not be construed as a waiver on the part of the Minister of Railways of his right to dismiss any scholarship-holder under any power that he may have in that behalf.

(e) Every scholarship-holder who enters upon the course referred to in subparagraph (c) of this paragraph shall be paid as a tradesman during the time occupied by such course. He shall be required to devote himself wholly to the objects of the scholarship, and shall not, except as approved by the Permanent Head, hold any position of emolument.

(f) Any scholarship-holder may be required to take up duty with the Department during college vacations.

(g) Every scholarship-holder who attends a university college under the provisions of any of these regulations relating to scholarships shall furnish to the Permanent Head satisfactory proof that he is prosecuting his studies diligently and successfully.

(h) The Permanent Head may, if the scholarship-holder is guilty of misconduct, or fails to furnish the proof required by the last preceding subparagraph, or for any other reason deemed by him to be sufficient, determine the tenure of any scholarship.

F. D. THOMSON,  
Clerk of the Executive Council.