

We are strongly of opinion that the salaries paid to the heads of Departments and those holding highly responsible positions throughout the Service are not adequate. To increase the salaries of these responsible heads 25 per cent. or 30 per cent. would not amount to a great deal, and it would be of incalculable benefit to the Service as a whole; for the positions of heads of Departments are the prize positions of the Service that all the young ambitious men are aiming to ultimately attain, and if they are made worth having it will have the effect of retaining in the Service many young officers of ability. When, however, the young men see that the road to promotion is very slow and that the prizes at the end, when compared with salaries paid outside the Service to men holding no more responsible positions, are very small, they come to the conclusion that they are not worth working for. The general effect of the non-recognition of merit, the slow promotion, the distrust caused by outsiders having in the past been brought in and put over the heads of those in the Service, and the comparatively small salaries paid for the prize positions, is to cause the young officers who feel that they have the ability for better things to try and get out and better themselves elsewhere. It is not to the benefit of any service that such a state of affairs should exist.

It may be argued that, notwithstanding the present inadequate salaries, there are many good men now heads of Departments and in other responsible positions in the Service, and that if this is the case now, why should it not be so in the future, and why should there be any necessity to increase the salaries for the leading positions? Our reply to this is that when the men now holding the responsible positions in the Service were young men there were not the same outside opportunities for young men of ability as exist to-day. Men do not change their occupations readily except in their early working-life, and thus the present leaders in the Service have not had the chances open to them that are open to the young men of ability to-day. To get the leading positions filled in the future by men of capacity equal to some of those filling them to-day we are satisfied that higher salaries will have to be paid. The effect would then be not only to maintain a high standard for the occupants of these positions, but it would also result in keeping the better class of young men in the Service, as they would see prizes ahead of them worth trying for.

Briefly the position, in our opinion, is as follows: The heads of the main Departments are inadequately paid. The pay of the subsidiary officers is not, in many cases, in accordance with the value of the work done. We believe that an adjustment of these anomalies would result in a saving to the country of a very considerable sum yearly; and not only so, but greater efficiency would follow, more contentment would be engendered, a spirit of *esprit de corps* would be awakened, the whole Service would become more alive and alert because more hopeful, and the result generally beneficial to the Service and the public alike.

CLASSIFICATION.

The Public Service Classification and Superannuation Act, 1908, provides machinery for the classification of all the present unclassified Departments, and in accordance with this Act a Classification Board was set up, and an attempt made to classify the Service. The Act provided for officers of the Service appealing against their classification, and the result was that no less than 1,760 appeals were lodged, and all those who appealed have the right to be heard before the Board before the classification can be gone on with. Even if the Board decided to hear this enormous number of appeals, if any appeal were upheld it might affect the classified position of other officers of the Service, and then those so affected would have the right to appeal, so that the whole business might go on interminably. In the meantime, however, we understand the matter has been dropped.

During our investigation we came across very few officers who had a good word to say for the classification scheme as it now exists. We made inquiries,