

Department.	Increase due to.
Pensions— <i>continued</i> .	(2.) Extra work entailed in administering—(a) Miner's Phthisis Act, 1915, and amendments thereof, 1919 and 1920; (b) War Pensions Act, 1915, and amendments thereof in 1916, 1917, 1919, and 1920; (c) epidemic pensions. The bulk of the extra work was, however, caused by the war-pensions legislation.
Prisons	Improved working-conditions of staff, and the establishment of industrial work.
Public Trust ..	Continued expansion of the Department. The cost of this Department is not a charge on the Consolidated Fund.
Public Works ..	(1.) Extension of the hydro-electric scheme, and extension of the Department's operations in other directions. (2.) Several temporary employees were made permanent, and a number of cadets appointed for training.
State Fire	Increase necessitated by the increase in business: <i>e.g.</i> , the gross income for the year ended 31st December, 1913, was £79,627, while for the year ended 31st December, 1920, it was £183,190. The increase in staff was 80·4 per cent., while the increase in income was 130 per cent.
State Forest ..	This Department was created as a separate Department in 1920, with a staff of forty-six officers. As indicated in last year's report, the Department is growing rapidly, due to increased activities, and the staff totals eighty permanent officers.
Tourist	Mainly to the permanent appointment of employees formerly temporary in terms of the Temporary Employees Act, 1913.
Treasury	Additional duties and responsibilities placed on the Department, principally in connection with loans, Imperial pensions, and control of departmental revenue and expenditure.

The creation of new Departments and the extension of the activities of other Departments have been the principal causes necessitating the appointment of additional officers. The total amount paid by way of salaries has been increased by these causes; but the principal increase is due to the granting of additional salary to compensate for the increased cost of living, which is still (roughly) 60 per cent. in advance of the 1914 figures. Increases of a similar nature were granted in other countries, and it would have been neither just nor equitable to have kept salaries and wages at their pre-war level. The average amount which has been granted by way of increase on pre-war salary is about £100. A comparison of the average salary in 1914 (£187·29) with that for 1921 (£283·99) shows the percentage increase to be 51·63 per cent., while the increase in the cost of living was estimated at 62 per cent. It is to be regretted that criticism which has been made in some quarters as to *expansion* in the Public Service has not taken into account the depreciation in the purchasing-value of the pound sterling.

Every endeavour is made by the Commissioners to prevent undue expansion of Departments: no new position is created until Government has signified that it considers such expansion of the Service is warranted, and funds for same available.

REDUCTION OF SERVICES.

A question for consideration by Government is the reduction of non-remunerative services performed for the public, and the institution of adequate fees in regard to other services which are not self-supporting. This matter has been referred to in detail in the report of the Economy Committee.

COST-OF-LIVING INCREASE.

During the war officers were granted a war bonus as compensation towards the increased cost of living.

An investigation demonstrated that the cost of living had increased since 1914 by at least 27½ per cent., and officers were granted an increase in salary of £45, representing 27½ per cent. on an accepted standard salary of £165, the war bonus being discontinued.

As from the 1st January, 1920, following an inquiry by His Honour Mr. Justice Stringer in regard to officers of the Railway Department, officers of all branches