

to record that, out of one hundred positions in which promotion was involved immediately subsequent to the 1st April, 1923, in only thirty-nine cases was the senior officer appointed, and in those cases promotion was granted because seniority carried with it the necessary efficiency.

EFFICIENCY OF THE SERVICE.

It is satisfactory to record that, as the result of the system of departmental inspection recently instituted, a decided improvement in the efficiency of the staffs is evident. As these inspectional reports are made by officers who are thoroughly conversant with the detail workings of their Departments, and who can make more than a superficial review of the Department's methods, the reports form a useful basis for the purpose of estimating the general efficiency of the staffs concerned. On the other hand, there should, however, be closer co-operation so far as the Permanent Heads are concerned; and there is room for a little more courage and frankness in regard to the furnishing of reports on officers under their control.

The unpleasant task of "culling out" the redundant and inefficient members of the Service during the retrenchment period in 1921 was carried out so effectively that the number of cases for dispensing with the services of officers under this head during the year under review has considerably diminished. There are, however, in every large organization a number of officers who fail to reach the required standard of efficiency, and it is usually only on personal inspection that such cases come under notice. Controlling officers, in some cases actuated by feelings of sympathy and in others by a reluctance to being placed in the position of having to face an inquiry, generally are loath to take the initiative in connection with the retirement of any members of their staff, and frequently resort, wherever possible, to the palliative measure of suggesting a transfer to another Department, thereby endeavouring to shift the responsibility.

The retention of inefficient employees has many undesirable elements. The economic waste is not to be measured only in the actual salary paid, but in the loss of the services of an efficient substitute, and also the lowering of the morale of the office. There is probably no more pernicious influence on junior officers than the presence of what, in colloquial parlance, may be called a "dud passenger" in their midst. It is settled as a matter of policy that any employee who does not render a fair standard of service should be retired; and due notice is being taken of inaction of controlling officers in such cases.

EXAMINATIONS.

A feature that augurs well for the future efficiency of the Service is the large number of officers who pursue their studies in an endeavour to qualify themselves for advancement to the higher executive positions. Although it is not conceded that examinations in themselves are an absolute indication of fitness, they are, to say the least, an outward evidence of an officer's industry and application.

The following table is indicative of the improved educational standard of the Service. When considering this schedule it should also be borne in mind that, for admission to the Service, the Public Service Act stipulates that entrants to the Clerical Division shall be required to have passed the Public Service Junior Examination or its equivalent:—

NUMBER OF OFFICERS WHO HAVE PASSED EXAMINATIONS AT THE 31ST MARCH, 1924, AS COMPARED WITH THE 31ST MARCH, 1914.

Examination.	1914.	1924.	Increase.
Senior Civil Service; Matriculation; Accountants' Preliminary ..	702	1,550	848
Accountants' Professional; Master of Commerce; Bachelor of Commerce ..	26	160	134
Law Professional; Barristers and Solicitors; Solicitors ..	55	88	33
Engineering degrees or diplomas	146	175	29
Other University degrees	47	163	116
Shorthand Reporters' Examination	14	14

TRAINING OF UNDERSTUDIES.

The Public Service Regulations require that Heads of Departments shall make provision for understudies for each position.