In such times as the Dominion has experienced during the past year, the necessity for drastic curtailment of expenditure in every possible direction has involved a closer analysis of problems of departmental administration. Frequent reviews of staffing arrangements have been made to meet the altered conditions, vacancies have been filled only when absolutely essential, and, wherever possible, amalgamation of positions and co-ordination of activities have been effected. As far as practicable, departmental staffs have been required to carry on without assistance during the absence of officers on leave, and only in exceptional circumstances has leave been approved where relief has been necessary. Notwithstanding the restrictions and curtailments, both in staff and expenditure, that have been imposed through the demands of economy, the general efficiency of the Service has been well maintained.

It is pleasing to be able to place on record that the Service as a whole has risen readily and appreciatively to the demands that have been made upon it, and, despite the extremely adverse conditions, the added burdens that have been placed on officers, and the curtailed emoluments through the operation of the salary cuts, there has been a loyal acceptance by the Service of the necessities of the times.

ECONOMIES IN THE PUBLIC SERVICE.

With a view to effecting economies and curtailing administration costs, the public services of the Dominion have been overhauled twice within the past two years by two independent authorities; once by a special Cabinet Committee under the Chairmanship of Sir Apirana Ngata, with whom were associated the Public Service Commissioner and the Secretary to the Treasury, and later by a Royal Commission (National Expenditure Commission) under the Chairmanship of Mr. George Shirtcliffe, O.B.E. Sufficient time has not yet elapsed to reveal the full effect of the recommendations of the latter Commission, but since the recommendations of the former Committee have been in operation the following reductions in staff and savings in salary, &c., have been effected by retrenchment, non-filling of vacancies on retirement of officers, and curtailment of services. These savings are exclusive of the salary cuts under the Finance Act, 1931, and the National Expenditure Adjustment Act, 1932. It will be noted that they are cumulative in effect, and represent, in respect of the Departments coming under the provisions of the Public Service Act, an estimated annual saving of just over £384,000, made up as follows:—

Economies in the Public Service effected during Period 1st April, 1930, to 30th June, 1932.

	Number of Employees.	Saving,			
		1930-31.	1931–32.	1932–33.	Annual.
Staff under the control of the Public Service Commissioner— Employees who have left or are leaving the Service without replacement— Permanent employees		£	£	£	£
	547 879	17,772 6,838	86,576 69,969	156,861 178,735	163,174 181,435
Savings additional to above (due to staff adjust- ments, reductions in salaries (excluding the Finance Act, 1931, and National Expenditure Adjustment Act, 1932), reduction and cancel- ling of allowances, &c.)	1,426	24,610 6,351	156,545 37,148	335,596 42,875	344,609 39,556
Total savings, staff under Public Service Commissioner control		30,961	193,693	378,471	384,165