4

The following table, showing the alterations in the salary scales since the Public Service Act came into operation in 1913, illustrates the effect of the recent salary adjustments on the present classification of officers. The table shows the cost-of-living increments granted in 1919 and 1921 to meet the increased cost of living at that time, and also the reductions that were made in 1922. It will be noted from the table that the recent reductions under the Finance Act, 1931, and the National Expenditure Adjustment Act, 1932, have had the effect of bringing the salary scales to a substantially lower level than they were in 1919, and in respect of the higher grades to a standard even lower than in 1913.

CLERICAL DIVISION.

Class.		1913, Maximum.	1919, Maximum.	1921, Maximum.	1922, Maximum.	1922, Maximum.	1924, Maximum.	1931, Maximum.	1932, Maximum.
		£	£	£	£	£	£	£	£
VII		220	270	320	305	295	295	265	239
VI		260	300	350	330	320	335	301	271
V		315	350	400	380	370	380	342	308
IV		370	400	450	430	420	425	382	344
Ш		425	450	500	480	470	470	423	381
II		475	500	550	525	515	515	463	417
I		600	600	650	625	615	615	553	498
C, Special			750	800	775	765	765	688	619

The foregoing scale is that relating to the Clerical Division. The Professional Division scale is very little dissimilar, hence it may reasonably be taken that the scale is fairly illustrative of the salaries throughout the Public Service.

It is interesting to note further from the following table the distribution of the staff over the scales. In the Professional Division the incidence is practically identical, and the General Division would show an even greater proportion of lower-grade officers. From the figures it will be observed that by far the greater proportion of officers are in the lower grades, though by virtue of their greater numbers the aggregate of their salaries comprises the great bulk of the salaries of public servants.

DISTRIBUTION OF OFFICERS, CLERICAL DIVISION.

VII.			VI.	v.	IV.	III.	II.	I.	C, Special.
Number of officers Aggregate salaries	£	2,245 $425,909$	475 $128,595$	$265 \\ 81,012$	$221 \\ 75,556$	153 57,396	76 31,399	$\begin{array}{ c c c c }\hline 97 \\ 46,222 \\ \end{array}$	70 40,670

Before the last salary cuts were imposed the percentage-distribution of salaries throughout the whole of the Public Service was as follows:—

Salary, per Annum.			Percentage of Total employed.
Over £1,000	 	 	 0.34
£800-£1,000	 	 	 $\cdots 0.77$
£601-£800	 	 	 3.58
£501-£600	 	 	 3.81
£301-£500	 	 	 $ 29 \cdot 80$
£300 and under	 	 	 $61 \cdot 70$
			100:00

Note.—All of the above salaries have since been reduced under the Finance Act, 1931, and the National Expenditure Adjustment Act, 1932, *i.e.*—

						Per Cent.	
Under the Finance						10	
Under the National	Expendit	ure Adju	$\operatorname{stment} A$.ct, 1932—			
Up to $£225$						5	
£ 225 -£ 720						10	
Over £720				• •	• •	$12\frac{1}{2}$	

From these tables can be seen the extreme difficulty of reconciling the "demands of fiscal necessity" with the "desires of social expediency" in bringing down any general proposals for reductions of salaries.