

1932.
NEW ZEALAND.

PUBLIC SERVICE COMMISSIONER

(TWENTIETH REPORT OF THE).

Presented to both Houses of the General Assembly by Command of His Excellency.

To His Excellency the Right Honourable Charles, Baron Bledisloe, Member of His Majesty's Most Honourable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Most Excellent Order of the British Empire, Governor-General and Commander-in-Chief in and over His Majesty's Dominion of New Zealand and its Dependencies.

MAY IT PLEASE YOUR EXCELLENCY,—

As Commissioner appointed under the Public Service Act, 1912, I have the honour to submit the following report, as required by section 15 of the Act.

REPORT.

THE ADMINISTRATION OF THE PUBLIC SERVICE.

During the past year, in common with other sections of the community, the Public Service has borne the strain of circumstances arising out of the economic depression, and in consequence of these abnormal conditions the administrative problems have been greatly intensified.

In normal times the routine of administration of the Public Service Act might briefly be described as the procedure necessary to ensure the efficient organization and staffing of State Departments; and under this head are such matters as promotions, retirements, the filling of vacancies, inquiries involving disciplinary action, and investigations concerning details of departmental organization to ensure the efficient and economical administration of the Service as a composite whole; but during the past year a greater amount of investigational work has been undertaken, both independently and in conjunction with official committees, in an endeavour to explore all possible avenues of economy and to consider means of dealing with problems arising out of the depression.

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 Shircliffe, 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	17,772	86,576	156,861	163,174
Temporary employees (not including casual employees—e.g., Public Works Department employees retrenched owing to curtailment of railway works, &c.)	879	6,838	69,969	178,735	181,435
Savings additional to above (due to staff adjustments, reductions in salaries (excluding the Finance Act, 1931, and National Expenditure Adjustment Act, 1932), reduction and cancelling 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

Summarized, the recommendations in the National Expenditure Commission's reports were calculated to effect an aggregate saving of the burden on Consolidated Fund of approximately £1,200,000. This amount includes certain minor proposals for increases in revenue per medium of increased charges for services, and increased duty, both estimated to total £17,000. The balance, it was proposed, would be effected by reductions in permanent charges and vote expenditure. The Commission's proposals in the main concerned matters of policy, a change of which in many cases would not be practicable. An analysis of the proposed savings showed that the possible administrative economies, according to the Commission's reports, are relatively small—for example, in the Commission's interim report, out of a total of estimated possible savings of £358,000 only £25,000, representing suggested economies in the Legislative Vote, affect administrative items. The balance wholly relates to matters of policy, including such items as University bursaries, maternity allowances, contributions to Singapore Base, and reduction of cruisers, &c. In fact, so far as that portion of the Service coming under the jurisdiction of the Public Service Act is concerned, not a single item in the whole of the interim proposals of the Commission can be said to refer to administrative costs.

Taking the final report, if the proposals affecting policy in regard to subsidies to hospitals and charitable-aid institutions and local authorities (£310,200), grants to Cook Islands (£7,370), contributions to Plunket nurses (£10,000), and subsidies paid through the Department of Agriculture in connection with fertilizers, &c. (£270,000), are deducted from the suggested total of estimated savings, there remains only just over £200,000 spread over all Departments, including those not under the Public Service Act, as the amount which in the opinion of the Commission can be saved by administrative economies. Many of the proposed savings making up this £200,000 also concern matters of policy which are of questionable practicability; for example, the closing of certain Stamps and Land and Deeds offices (estimated saving £6,000), abolition of Trade Representatives in Australia and Toronto (£7,300), school hygiene (£2,000), dental hygiene (£12,000), reduction in technical staff in Lands and Survey Department (£10,000), closing of land offices (£4,200), as the Commission suggests. In the light of the Commission's reports, which can only be regarded as a distinct compliment to the efficiency of the administration of the Public Service, it is satisfactory to note that the annual savings of £384,000 referred to above as having been already effected considerably exceed the amount suggested by the Commission, and it is a practical indication that departmental controlling officers are keenly appreciative of the fact that it is only by the strictest regard for economy and efficiency that the present position can be faced.

SALARIES AND SALARY CUTS.

The savings in salaries and wages as the result of the cuts under the Finance Act, 1931, and the National Expenditure Adjustment Act, 1932, in respect of the permanent staffs of the various Departments under the Public Service Act are summarized in the following table:—

SAVINGS EFFECTED BY REDUCTIONS IN SALARIES.

	£
First salary cut (Finance Act 1931, No. 1)	246,690
Second salary cut (National Expenditure Adjustment Act, 1932) ..	185,710
Total (in respect of staff under Public Service Commissioner control)	<u>£432,400</u>

In addition to this reduction of £432,400 there is a further estimated saving of £149,912 in respect of temporary employees (excluding Public Works' casuals). The total annual savings due to staff economies and reductions in salary in respect of that portion of the Service under the Public Service Act run into approximately £966,500. Just over £500,000 has been due to cuts in salaries.

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
III	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 ..	2,245	475	265	221	153	76	97	70
Aggregate salaries £	425,909	128,595	81,012	75,556	57,396	31,399	46,222	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	0·77
£601—£800	3·58
£501—£600	3·81
£301—£500	29·80
£300 and under	61·70
							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 Act, 1931	10
Under the National Expenditure Adjustment Act, 1932—		
Up to £225	5
£225—£720	10
Over £720	12½

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.

The immediate effect of the two salary cuts and reductions in permanent staff since 31st March, 1931 (allowing for scale increments, promotions, &c.), will be seen from the following table, which shows the classification of each group of officers (excluding the Administrative Division) after the cuts have been made, as compared with the total salaries for the year ended the 31st March, 1931 (*i.e.*, before the cuts were imposed):—

Class (excluding Administrative Division, and Native-school Teachers).	Total Salaries, 31st March, 1931.	Total Salaries after First Cut.	Total Salaries after Second Cut.	Annual Savings as compared with 31st March, 1931.
Professional—	£	£	£	£
A	150,915	127,262	114,004	36,911
B	74,010	62,212	56,234	17,776
C	62,620	52,411	47,279	15,341
D	40,020	35,001	31,897	8,123
E	13,050	13,842	13,069	..
F	4,410	2,713	2,949	1,461
Clerical—				
Special	55,960	45,036	40,670	15,290
I	57,530	51,070	46,222	11,308
II	42,295	34,866	31,399	10,896
III	73,805	63,684	57,396	16,409
IV	100,075	83,763	75,556	24,519
V	96,675	89,694	81,012	15,663
VI	164,875	142,524	128,595	36,280
VII	445,965	427,292	425,909	20,056
General—				
I (£320 and over) ..	319,394	263,195	238,289	81,105
II (£232-£319) ..	392,298	342,488	316,100	76,198
III (£191-£231) ..	115,210	100,884	97,438	17,772
IV (£190 and under) ..	84,437	70,915	68,506	15,931
Educational	12,215	11,226	10,428	1,787
Totals ..	2,305,760	2,020,085	1,882,964	422,826

STAFF STATISTICS.

The statistics shown as Table III in the appendix hereto reveal that there has been a net decrease of 314 permanent officers as at the 31st March last as compared with the position at the end of the previous year.

It will be seen from the table that in nearly all Departments there has been a curtailment of staffs. In some Departments this has been possible through the curtailment of services, but in a great number of Departments the depression has considerably increased the amount of work. In certain Departments the full extent of the economies effected is obscured by the fact that fresh appointments have been made in some particular branch—for example, in the Health Department the services of 49 officers were dispensed with, but during the year 21 new dental trainees were added to the establishment, thus reducing the net reduction to 28. Industries and Commerce, Tourist, and Publicity Department shows an increase of 56, but here again the increase is nominal only, a corresponding reduction being shown under Internal Affairs, from which Department the staff of the Statistician's Office was transferred. Similarly, a nominal increase in the Justice Department is compensated for by a corresponding reduction through the transfer of the Registrar-General's Office from Internal Affairs to Justice. Land and Income Tax has shown a net increase of 15 officers; there have been 19 additions to staff and 4 retirements. This increase has been necessitated through extra work incidental to the recent taxation proposals being thrown upon the Department.

The total decrease at the end of the year in the classified lists of all Departments under the Commissioner's control has been 671, as against the total increases during the year of 357.

In regard to the staffing of State Departments it must be borne in mind that, contrary to the general experience in private undertakings, the depression has in a great many cases increased the volume of work, accentuated the difficulties, and ushered in many new problems which Government has been obliged to deal with. Where it has been possible to carry on with a skeleton staff, or to arrange for a particular work to be carried on by a merger with another Department, this has been

done; for example, due to the change in immigration policy, and the consequent curtailment of activities of the Immigration Department, this Department has been merged with the Labour Department. As a result of this, a number of the staff have been dispensed with, and other officers have been made available to cope with the largely increased work in connection with the unemployment schemes. In this connection also it is desired to express appreciation of the helpful co-operation of the Post and Telegraph Department and the Railways Department, which have made available officers when required in connection with this work. By the free interchange of officers from Departments where there has been a shrinkage of work to those in which there has been an increase, it has been possible to carry on throughout the year without appointing a single cadet, and without filling a large number of vacancies that have arisen through retirements in the ordinary course of events.

This state of affairs cannot be maintained indefinitely. There is a marginal point beyond which savings are procured at the expense of efficiency. The holding-up of recruitments to the Service through the normal medium of cadetships, though it has unfortunately been rendered essential through the need for economy, is recognized by all who are experienced in affairs of public administration to have serious repercussions, both socially and administratively. It is a matter of no small concern to see the door to their careers closed to a large number of lads who have qualified by examination for entrance to the Public Service. From a departmental point of view also it is desirable, in order to maintain continuity and a proper balance of staff, that there should be a reasonable proportion of juniors coming on and undergoing training for the normal replacement of those who retire through effluxion of time.

LEGISLATION AFFECTING THE PUBLIC SERVICE.

National Expenditure Adjustment Act, 1932.

This Act made provision for the further adjustment of public expenditure by reducing the rates of salary, wages, and emoluments of all State employees as from the 1st April, 1932, by an amount varying from 5 per cent. to $12\frac{1}{2}$ per cent. of the rate at which such employees were paid on the 31st March, 1932. The reductions were on the following basis:—

- (a) Where the rate of salary did not exceed £225 or its equivalent, 5 per cent.
- (b) Where the rate of salary exceeded £225 but did not exceed £720 or its equivalent, 10 per cent.
- (c) Where the rate exceeded £720 or its equivalent, $12\frac{1}{2}$ per cent.

Provision was also made that all scales of salaries and increments should be correspondingly reduced.

The reductions were applied to all persons employed in the Cook Islands Public Service, but officers of the Samoan Public Service were exempted from the provisions of the Act for a period of three months as from the 1st April, 1932, and subsequently for a further period of three months as from the 1st July, 1932.

The Act also provided that the Governor-General might from time to time make all such regulations as might be deemed necessary for the purpose of carrying the Act into effect, and, in particular, that any such regulations might make provision for the adjustment of anomalies or for the relief of cases of hardship.

Regulations were made and published in the *New Zealand Gazette* No. 40, of the 9th June, 1932. These regulations established an "Adjustment Committee," consisting of the following persons:—

- (a) The President of the Arbitration Court:
- (b) The Public Service Commissioner:
- (c) The President of the New Zealand Public Service Association (Incorporated).

Applications for relief may be made to the Committee up to and including the 31st July, 1932.

The regulations further provide that if in any case the Adjustment Committee is satisfied that an anomaly or hardship exists it shall consider the special circumstances of the case and the departmental report and recommendation, and may make such decision as in the circumstances it thinks fit, just, and equitable.

Finance Act, 1932.

Section 59 contains special power for the dismissal of disloyal officers of any branch of the Public Service.

Finance Act, 1931 (No. 4).

Section 42 extends indefinitely the provisions of section 14 of the Finance Act, 1931, relating to the superannuation rights of persons compulsorily retired from Government and other services.

AMENDMENTS TO THE GENERAL REGULATIONS.

During the year the principal amendments were as follows : Regulations 8, 109, 111, 117, 197, 201, 209, 213, and 214 : Reducing the salaries and rates of payments in accordance with the provisions of the National Expenditure Adjustment Act, 1932.

BOARD OF APPEAL.

The following is a summary of appeals dealt with during the period 1st April, 1931, to 31st March, 1932 :—

Decision recorded.					Classification.	Non- appointment.	Dismissal.	Total.
Allowed	..	..	..	..	..	..	..	..
Not allowed	..	..	..	..	1	26	1	28
Do not lie	..	..	..	..	3	4	..	7
Withdrawn	..	..	..	..	..	9	..	9
					4	39	1	44

COMMONWEALTH FUND SERVICE FELLOWSHIP.

Since 1929 officers of the New Zealand Public Service have been afforded the opportunity of applying for a Commonwealth Fund Service Fellowship. These Fellowships are tenable at American Universities and are for a minimum period of fifteen months and a maximum period of twenty-four months. The following summary report of the Committee of Award has recently been received :—

Summary Report.

The Committee think that it may be of some interest and guidance to Governors, Heads of Departments, and others concerned in promoting the applications of candidates, and to prospective candidates themselves, to receive the following summary report of the operation of the Commonwealth Service Fellowship scheme in the light of the experience gained since its inception four years ago.

First, in regard to the appointments to Service Fellowships made in 1932. Sixty-three applications were received from officers employed under the Governments of Queensland, South Australia, Canada, New Zealand, The Union of South Africa, India, Ceylon, Fiji, Kenya, Mauritius, Nigeria, Southern Rhodesia, Tanganyika, and Zanzibar respectively. The subjects of study offered included agriculture, business administration, economics, education, engineering, forestry, geology, medicine, political and social science, and zoology. Three Fellows were appointed from South Africa, India, and Ceylon.

In addition there are six Fellows already holding Service Fellowships in the United States from New Zealand, South Africa, India, Southern Rhodesia, and Palestine, who are studying agriculture, economics, education, and engineering. The Committee have received uniformly satisfactory reports on these Fellows from the Universities and other institutions to which they are attached, and the officers of the fund in New York have expressed the view that the high intellectual and personal standard established by the Commonwealth Fund Fellows in other categories has been well maintained by their Service colleagues. At the same time reports received from the Fellows themselves show that their expectations as to the value of a period of study and travel in the United States have been fulfilled, and express keen appreciation of the care and trouble taken on their behalf both by the representatives of the fund and by the University or other authorities. There seems good reason to hope that the Governments which have seconded officers to undertake the tenure of these Fellowships will gain advantage from the scheme in the enhanced efficiency of those officers on their return.

Last year a notification was received from the Committee of Award that it had not been possible to appoint to a Service Fellowship any of the officers whose applications had been received from New Zealand, but that Mr. C. W. O. Turner, B.Sc., of the Public Works Department, had been placed third on the reserve list. Officers are to be given a further opportunity this year of applying for a Fellowship for 1933.

DEPARTMENTAL CONFERENCES OF OFFICERS.

The following conferences of departmental officers were held during the year :—

Department.	Name of Conference.
Education ..	Inspectors : to discuss departmental matters.
Public Trust ..	First Regional Conference of Co-operative Rural Intermediate Credit Associations in the Waikato and South Auckland Districts.

DEPARTMENTAL OFFICERS ON DUTY ABROAD.

During the year the following officers proceeded abroad for the purposes stated :—

- Craig, Dr. G., Comptroller, Customs Department : To attend Trade Conference at Honolulu ; also to attend Empire Economic Conference at Ottawa.
- Kidson, Dr. E., Director of Meteorological Office, Scientific and Industrial Research Department : To attend centenary meeting of British Association of Meteorologists in England.
- Entrican, A. R., Engineer in Forest Products, State Forest Service, Wellington : To accompany to England a representative of the Southland beech sawmillers for the purpose of making inquiries regarding the supply and marketing of New Zealand beech in Britain.
- Park, A. D., Secretary to the Treasury, Wellington : To attend Empire Economic Conference at Ottawa. Mr. Park later proceeded to London.
- Campbell, Dr. R. M., Private Secretary to Minister, Wellington : To accompany the New Zealand delegation to Empire Economic Conference at Ottawa.

DEPARTMENTAL OFFICERS ON DUTY WITH OTHER ADMINISTRATIONS.

The following officers of the New Zealand Public Service are on duty with the Administrations named :—

Administration.	Name.	Department from which loaned.
High Commissioner's Office ..	Wright, W. ..	Agriculture.
	Taylor, F. H. ..	"
	Steele, H. C. ..	Audit.
	Lawrence, F. W. ..	Customs.
	Mitchell, T. ..	"
	Sandford, F. T. ..	Immigration.
	Jervis, D. M. ..	Internal Affairs.
	Mitchinson, Miss E. ..	"
	Wilson, Miss P. C. ..	"
	Wright, N. L. ..	Scientific and Industrial Research.
Samoa	Heatherington, J. ..	Agriculture.
	Gair, C. J. M. ..	Audit.
	Lowrie, W. G. ..	Customs.
	McKay, C. G. R. ..	External Affairs.
	Partridge, L. B. ..	Health.
	Ward, J. D. ..	"
	Styles, E. ..	Immigration.
	Turnbull, A. C. ..	Internal Affairs.
	Millar, T. H. ..	"
	McBride, W. ..	Land and Deeds.
	White, A. R. ..	Lands and Survey.
	Lynch, R. J. ..	Mental Hospitals.
	Pound, J. G. W. T. ..	Prisons.
	Gratton, F. J. H. ..	Public Trust.
	Lofley, W. G. ..	Public Works.
	Sapsford, H. B. ..	"
	Wadsworth, J. ..	Scientific and Industrial Research.
Cook Islands	Brewer, J. V. ..	State Forests.
	Wyman, T. S. ..	"
	Nottage, I. L. ..	Agriculture.
	Wright, J. B. ..	Cook Islands.
	Cook, L. M. ..	"
Secretariat to League of Nations Fiji	McMahon-Box, J. P. ..	Customs.
	Luckham, A. A. ..	Prisons.
	Chapman, J. H. ..	Customs.
	Lindsay, Miss G. ..	Internal Affairs.
	Taylor, J. B. K. ..	Public Works.

ADMINISTRATIVE CHANGES.

Since the last report was issued the following changes have taken place in the Administrative Division :—

Internal Affairs Department : Mr. P. J. Kelleher retired on the 29th April, 1932. He was succeeded by Mr. M. Fraser, O.B.E., formerly Government Statistician.
 Labour Department : Mr. W. Newton retired on the 17th November, 1932.
 Immigration Department : Mr. H. D. Thomson retired on the 30th September, 1932.
 Land and Deeds and Stamp Duties Departments : Mr. C. E. Nalder retired on the 31st March, 1932. He was succeeded by Mr. J. Murray, formerly Assistant Secretary for Land and Deeds and Deputy Commissioner of Stamp Duties.
 Land and Income Tax Department : Mr. E. J. R. Cumming retired on the 31st August, 1932. He was succeeded by Mr. C. E. J. Dowland.
 Public Works Department : Mr. F. W. Ferkert, C.M.G., retired on 31st October, 1932, and was succeeded by Mr. C. J. McKenzie.
 Treasury Department : Mr. B. C. Ashwin was appointed to the position of Second Assistant Secretary, Administrative Division, on the 22nd December, 1931.
 Unemployment Board : Mr. G. C. Godfrey was appointed Commissioner of Unemployment as from 1st April, 1932.

SUGGESTIONS FOR IMPROVEMENT.

Public Service Regulation 17 invites officers to submit, through the Permanent Head of their Department, suggestions having for their object improvements in the methods of work which will tend to increased efficiency and economy.

As stated in previous reports, every encouragement is given by the Commissioner to suggestions likely to improve the organization or efficiency of the Service, and it is the practice to make a special reward to any officer bringing forward a suggestion of merit. Although some suggestions put forward are not regarded as practicable, the action prompting officers in these cases is worthy of commendation, and is regarded as an evidence of the zeal of the officer.

Several suggestions were made during the year, and although none was considered of sufficient novelty and merit to warrant monetary recognition, the following are deserving of mention herein :—

Name.	Department.	Suggestion.
Menzies, K.	Agriculture	Method of payment of compensation for stock condemned under the Stock Act.
Butchers, A. G. ..	Education	System of despatch of Correspondence School assignments of work.

OFFENCES BY OFFICERS.

Offences by officers are dealt with as prescribed by sections 12 and 13 of the Public Service Amendment Act, 1927.

Minor offences may be dealt with by the head of the Department, but must be reported to the Public Service Commissioner. All the more serious cases are required to be referred to the Commissioner, who may conduct an inquiry himself or delegate his powers to others. In all cases the officer must be specifically charged in writing, and is required to answer the charge in writing. In the case of the more serious charges the officer has a right of appeal to the Public Service Board of Appeal against both the finding of the Commissioner and the penalty inflicted.

The principal classes of cases dealt with, and the decisions arrived at, are as follow :—

- (a) Misappropriations (5) : Forfeited office.
- (b) Irregularities (3) : Forfeited office (1) ; treated as absent without leave (1) ; transferred (1).
- (c) Neglect of duty (4) : Reprimanded (1) ; disrated and transferred (1) ; services terminated (1) ; appointment annulled (1).
- (d) Unsatisfactory conduct (11) : Reprimanded (5) ; reprimanded and transferred (2) ; reprimanded and salary forfeited (1) ; dismissed (3).

CONCLUSION.

It has been stressed in earlier reports that the expanding cost of Government has been due to the extension of duties that have devolved upon the Service through the necessities of the times. Every fresh piece of legislation involves certain fresh administrative responsibilities, the extent of which is frequently not realized by those who cavil at the cost of the Public Service.

The intricate ramifications of the State and the intertwining of its activities throughout the whole social structure make it both difficult and dangerous to effect a sudden cessation of certain services. In many cases loss from a social standpoint would considerably outweigh the immediate pecuniary gain. It is gradually being recognized by all who face the existing facts fairly and squarely in respect of finance and industry that our economic mechanism has lost much of its self-adjusting quality, and that some form of rationalization, regulative control, or planned economy is essential to recovery. In such event this means that, instead of fewer burdens being thrown on Government, the tendency probably will be for its functions to increase unless we are to revert to the suicidal policy of *laissez faire*.

It is again desired to place on record appreciation of the generous measure of support and co-operation accorded by Permanent Heads, and of the loyal manner in which officers throughout the Service have risen to the demands of the abnormal conditions that have been experienced during the year. This maintenance of the best traditions is all the more praiseworthy when it is borne in mind that there is probably no calling the conditions of service of which are so exposed, particularly in times of financial stringency, to unthinking public criticism as the Public Service.

To the staff of this office special thanks are due for their unfailing zeal and loyalty.

All of which is respectfully submitted for Your Excellency's gracious consideration.

P. VERSCHAFFELT, Commissioner.

B. L. DALLARD, Assistant Commissioner.

Office of the Public Service Commissioner,

Wellington, 28th February, 1933.

TABLE I.—PUBLIC SERVICE LIST, 31/3/32.—GENERAL SUMMARY OF CLASSIFICATION BY DEPARTMENTS
(EXCLUDING OFFICERS IN ADMINISTRATIVE DIVISION).

Department.	Number of Officers.	Salaries. Year ending 31/3/32.	Salaries. Year ending 31/3/33.	Scale Increase.	Saving effected by Reduction under the National Ex- penditure Adjustment Act, 1932.
		£	£	£	£
Agriculture	524	168,668	154,895	2,328	16,391
On loan	4	..	..	..	..
On leave	2	..	..	..	..
Audit	157	46,894	43,617	983	4,451
Cook Islands	5	1,359	1,280	34	114
On loan	2	..	..	..	..
Crown Law	6	3,564	3,171	17	410
Customs	294	87,921	81,255	1,106	7,979
On loan	3	..	..	..	..
On leave	1	..	..	..	..
Defence	31	8,019	7,392	84	729
Education	267	87,227	80,139	869	8,127
On leave	3	..	..	..	..
External Affairs	3	688	662	37	66
On loan	2	..	..	..	..
Government Insurance	99	27,549	26,532	1,377	2,668
Health	410	100,838	94,806	1,893	8,052
On loan	2	..	..	..	..
Immigration	8	2,407	2,186	..	221
On loan	2	..	..	..	..
Industries and Commerce, Tourist, and Publicity	165	41,778	39,296	993	3,598
Internal Affairs	237	58,422	54,613	725	4,579
On loan	5	..	..	..	..
On leave	2	..	..	..	..
Justice	313	81,076	76,044	2,070	7,452
Labour	95	26,631	24,481	341	2,536
Land and Deeds	125	34,686	32,473	765	3,099
On loan	1	..	..	..	..
Land and Income Tax	175	39,883	38,520	1,904	3,509
Lands and Survey	587	159,987	149,500	3,605	14,640
On loan	1	..	..	..	..
Marine	168	52,915	48,795	654	4,875
Mental Hospitals	1,089	214,880	202,705	2,003	14,308
On loan	1	..	..	..	..
On leave	2	..	..	..	..
Mines	49	14,589	13,559	286	1,358
National Provident and Friendly Societies	32	7,803	7,459	328	689
Native	75	20,196	18,822	424	1,886
Native Trust	30	8,694	8,053	136	811
Pensions	101	23,751	22,686	928	2,140
Police	6	1,894	1,732	17	180
Prime Minister's	1	742	649	..	92
Printing and Stationery	243	63,338	57,880	436	6,005
On leave	5	..	..	..	..
Prisons	236	60,493	55,498	444	5,597
On loan	2	..	..	..	..
Public Service Commissioner's	8	3,033	2,736	..	296
Public Service Superannuation	8	1,678	1,641	98	140
Public Trust	627	177,205	166,216	4,473	16,132
On loan	1	..	..	..	..
On leave	1	..	..	..	..
Public Works	709	211,498	195,812	3,847	20,077
On loan	3	..	..	..	..
On leave	2	..	..	..	..
Scientific and Industrial Research	57	20,263	18,681	337	1,969
Stamp Duties	71	19,638	18,329	422	1,794
State Advances	98	22,990	21,878	830	2,030
State Fire Insurance	134	34,942	32,975	965	3,105
State Forests	107	32,260	29,757	543	3,119
On loan	1	..	..	..	..
On leave	1	..	..	..	..
Transport	7	2,686	2,466	34	255
Treasury	78	21,240	19,992	603	2,034
Valuation	78	25,749	23,760	376	2,402
Totals	7,513	2,020,085	1,882,964	37,331	179,932
On loan	30	..	..	..	..
On leave	19	..	..	..	..
Totals, 31/3/32*	7,513	2,020,085	..	..	..
Totals, 31/3/33*	7,513	..	1,882,964	..	..
Native-school teachers	320	61,888	..	..	..
Vacant, 1/4/32	13	..	..	..	..

* Excluding 30 officers on loan and 19 on leave without pay.

NOTE.—Fractions of £1 are not taken into consideration in totals.

TABLE II.—PUBLIC SERVICE LIST, 31/3/32.—GENERAL SUMMARY OF CLASSIFICATION BY CLASSES
(EXCLUDING OFFICERS IN ADMINISTRATIVE DIVISION).

Class (excluding Administrative).	Number of Officers.	Total Salaries, 31/3/32.	Classification Salaries, 31/3/33.	Scale Increase.	Saving effected by Reduction under National Expenditure Adjustment Act, 1932.
Professional—		£	£	£	£
Over scale	75	57,575	50,970	..	6,604
Over scale (on leave)	1	..	..	..	..
A	116	69,687	63,034	315	7,003
B	125	62,212	56,234	243	6,248
B (on leave)	1	..	..	..	..
C	122	52,411	47,279	109	5,253
C (on leave)	1	..	..	..	..
D	99	35,001	31,897	396	3,544
D (on leave)	1	..	..	..	..
E	55	13,842	13,069	389	1,321
F	19	2,713	2,949	371	155
Clerical—					
Special	70	45,036	40,670	149	4,532
Special (on loan)	1	..	..	..	..
I	97	51,070	46,222	259	5,135
II	76	34,866	31,399	20	3,488
II (on loan)	1	..	..	..	..
III	153	63,684	57,396	81	6,377
III (on leave)	1	..	..	..	..
IV	221	83,763	75,556	170	8,395
IV (on loan)	5	..	..	..	..
IV (on leave)	1	..	..	..	..
V	265	89,694	81,012	287	9,001
V (on loan)	1	..	..	..	..
VI	475	142,524	128,595	324	14,288
VII (£222/15/0-£238/19/0)	870	220,455	204,452	3,738	22,716
VII (on loan)	6	..	..	..	..
VII (on leave)	1	..	..	..	..
VII (£179/11/0-£213/15/0)	648	123,619	128,322	10,884	6,753
VII (on loan)	6	..	..	..	..
VII (£68/8/0-£162/9/0)	727	83,218	93,135	14,077	4,901
VII (on loan)	1	..	..	..	..
VII (on leave)	1	..	..	..	..
General—					
I (£260 and over)	745	263,195	238,289	1,413	26,476
I (on loan)	4	..	..	..	..
I (on leave)	1	..	..	..	..
II (£198-£259)	1,418	342,488	316,100	1,236	28,034
II (on loan)	3	..	..	..	..
II (on leave)	5	..	..	..	..
III (£163-£197)	527	100,884	97,438	1,598	5,128
III (on loan)	2	..	..	..	..
III (on leave)	1	..	..	..	..
IV (£162 and under)	566	70,915	68,506	1,136	3,605
IV (on leave)	1	..	..	..	..
Educational—					
I (£260 and over)	10	3,658	3,321	28	369
II (£198-£259)	19	4,779	4,406	47	453
II (on leave)	3	..	..	..	..
III (£163-£197)	14	2,632	2,539	38	133
IV (£162 and under)	1	157	162	12	8
Totals	7,513	2,020,085	1,882,964	37,331	179,932
On loan	30	..	..	..	..
On leave	19	..	..	..	..
Totals, 31/3/32*	7,513	2,020,085	..	..	..
Totals, 31/3/33*	7,513	..	1,882,964	..	..
Native-school teachers.. .. .	320	61,888	..	..	..
Vacant, 1/4/32	13	..	..	..	..

* Excluding 30 officers on loan and 19 on leave without pay.

NOTE.—Fractions of £1 are not taken into consideration in totals.

TABLE III.—SHOWING ALTERATIONS IN STAFFS AND SALARIES OF DEPARTMENTS BETWEEN CLASSIFIED LIST FOR 1931-32 AND 31ST MARCH, 1932.

Department.	Classified List, 1931-32.		Increase.														Decrease.														Net Increase or Decrease.		At 31st March, 1932.		Department.			
	Number of Officers.	Total Classified Salaries.	(1) Additions to Salary on Promotion, &c. (within Department).		By Transfer from other Departments or from Unclassified Positions.		By New Entrants.				Total Increase.		(8) By Reduction in Salary.		(9) By Transfer to other Departments or to Unclassified Positions.		(10) By Death.		(11) By Retirement on Superannuation or Pension.		(12) By Resignation.		(13) By Dismissal (including Cases where Services dispensed with).		Total Decrease.													
			Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.			Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.			Number.	Amount.	Number.	Amount.								
Agriculture	549	177,704	8	£ 180	1	£ 85	..	£ ..	1	£ 85	..	£	£	£ ..	2	£ 351	..	£ ..	3	£ 922	4	£ 1,602	13	£ 4,752	4	£ 1,183	3	£ 927	27	£ 9,387	-25	£ - 9,036	524	£ 168,668	Agriculture.	
Audit	156	47,151	6	108	5	1,210	5	1,318	3	1,453	1	121	4	1,575	+ 1	- 256	157	46,894	Audit.	
Cook Islands	5	1,359	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5	1,359	Cook Islands.	
Crown Law	6	3,564	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	3,564	Crown Law.		
Customs	302	90,697	7	18	..	..	..	..	..	..	..	..	..	..	..	..	18	1	27	..	..	2	675	5	1,867	..	..	1	225	8	2,794	- 8	- 2,776	294	87,921	Customs.
Defence	35	8,869	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	265	..	..	1	166	2	418	4	850	- 4	- 850	31	8,019	Defence.				
Education	292	96,924	7	45	2	895	5	1,381	7	2,322	1	126	3	639	15	6,826	6	2,016	8	2,412	32	12,019	-25	- 9,697	267	87,227	Education.	
External Affairs ..	2	423	1	265	1	265	2	351	1	301	3	1,449	1	207	7	2,308	- 4	- 1,885	99	27,549	External Affairs.	
Government Insurance	103	29,434	5	112	3	310	3	423	2	351	1	301	3	1,449	1	207	7	2,308	- 4	- 1,885	99	27,549	Government Insurance.	
Health	438	109,315	37	3,444	2	171	..	..	..	21	1,417	..	..	..	..	23	5,032	4	36	6	1,138	1	301	16	6,062	19	3,738	9	2,232	51	13,509	-28	- 8,476	410	100,838	Health.
Immigration	9	2,673	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	265	..	..	..	..	1	265	- 1	- 265	8	2,467	Immigration.
Industries and Com- merce, Tourist, and Publicity	109	27,522	3	54	64	15,808*	..	..	..	..	..	..	..	..	..	64	15,862	7	36	..	..	1	121	4	832	1	265	2	351	8	1,606	-56	-14,256*	165	41,778	Industries and Com- merce, Tourist, and Publicity.
Internal Affairs ..	306	79,494	3	72	2	612	..	..	..	..	..	..	..	..	..	2	684	4	120	112	28,057*	2	490	13	3,550	..	..	1	216	128	32,434	-126	-31,750*	180	47,744	Internal Affairs.
Internal Affairs (Reliev- ing Staff)	58	11,259	1	18	1	202	3	328	2	171	6	720	4	567	1	202	2	531	7	1,300	- 1	- 580	57	10,678	Internal Affairs (Reliev- ing Staff)	
Justice	270	70,137	3	67	49	12,654*	1	103	50	12,825	1	243	6	1,642	7	1,885	-43	+10,939*	313	81,076	Justice.	
Labour	96	26,919	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	288	1	288	- 1	- 288	95	26,631	Labour.	
Land and Deeds ..	128	35,622	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	765	1	171	..	..	3	936	- 3	- 936	125	34,686	Land and Deeds.
Land and Income Tax	160	39,136	15	274	1	103	..	..	..	19	1,804	..	..	..	..	20	2,182	2	36	1	103	..	..	2	765	2	531	..	..	5	1,435	-15	- 747	175	39,883	Land and Income Tax.
Lands and Survey ..	613	168,610	15	522	6	1,476	..	..	1	121	..	..	..	..	..	7	2,119	2	77	8	2,524	..	..	18	6,700	5	1,026	2	414	33	10,742	-26	- 8,623	587	159,987	Lands and Survey.
Marine	192	60,420	72	2,043	..	..	..	..	1	198	..	..	..	..	..	1	2,241	5	166	..	..	..	..	17	7,352	2	364	6	1,863	25	9,746	-24	- 7,505	168	52,915	Marine.
Mental Hospitals ..	1,093	217,523	243	2,692	2	319	..	..	132	16,032	3	459	..	..	..	137	19,504	3	49	..	..	3	1,359	9	2,814	99	13,824	30	4,099	141	22,147	- 4	- 2,643	1,089	214,880	Mental Hospitals.
Mines	50	15,503	1	18	..	..	1	225	1	85	..	..	..	..	..	2	328	..	..	..	..	2	999	..	..	..	..	1	243	3	1,242	- 1	- 913	49	14,589	Mines.
National Provident and Friendly Societies	34	8,487	1	18	..	..	..	..	1	85	..	..	..	..	..	1	103	..	..	..	..	..	..	2	648	1	139	..	..	3	787	- 2	- 684	32	7,803	National Provident and Friendly Societies.
Native	72	20,263	1	18	2	310	1	139	3	256	6	724	1	85	1	301	1	405	3	792	- 3	- 67	75	29,196	Native.	
Native Trust	31	8,761	1	18	18	1	85	1	85	- 1	- 67	30	8,694	Native Trust.
Pensions	104	24,750	5	135	2	351	..	..	1	85	..	..	..	..	..	3	571	..	..	1	265	..	..	3	1,030	2	274	..	..	6	1,570	- 3	- 999	161	23,751	Pensions.
Police	6	1,894	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	6	1,894	Police.	
Prime Minister's ..	1	742	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	742	Prime Minister's.		
Printing and Stationery	293	76,548	11	231	..	..	..	..	1	85	..	..	..	..	..	1	316	7	23	1	263	1	147	41	11,694	7	1,122	1	274	51	13,525	-50	-13,209	243	63,338	Printing and Stationery.
Prisons	248	63,432	10	135	..	..	..	..	1	202	..	..	..	..	..	1	337	..	..	1	342	..	..	4	1,012	3	616	5	1,305	13	3,276	-12	- 2,938	236	60,493	Prisons.
Public Service Commis- sioner's	8	3,033	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	3,033	Public Service Commis- sioner's.	
Public Service Super- annuation	8	1,678	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	8	1,678	Public Service Super- annuation.	
Public Trust	640	180,477	78	1,741	2	441	1	342	3	2,524	3	112	3	1,417	1	720	3	1,206	8	1,899	1	441	16	5,796	-13	- 3,271	627	177,205	Public Trust.	
Public Works	757	224,070	<																																			

TABLE IV.—TEMPORARY EMPLOYEES, OTHER THAN WORKMEN, ETC., AS AT 1ST APRIL, 1932.

Department.	Male Clerks.	Sorters.	Female Clerks.	Shorthand-typists, Typists, and Machinists.	Office Assistants.	Draughtsmen and Computers.	Draughtswomen and Tracers.	Engineers and Engineers' Assistants.	Inspectors and Inspectors.	Milk Testers.	Overseers and Foremen.	Medical Officers.	Storekeepers and Storemen.	Miscellaneous.
Agriculture	6	3	..	23	12	..	..	..	54	26	3	..	..	18
Audit .. .. .	..	..	4	1	..	..	..	..	..	..	..	..	..	..
Cook Islands .. .. .	..	..	..	1	..	..	..	..	..	..	..	..	..	2
Crown Law .. .. .	..	..	..	2	..	..	..	..	..	..	..	..	..	..
Customs	1	..	..	8	..	..	..	..	..	..	..	..	..	..
Defence	15	..	..	3	5	..	..	..	..	..	..	..	27	24
Education	3	2	14	17	14	..	..	..	..	..	..	..	..	50
Government Insurance	1	..	..	10	16	..	..	..	..	..	..	..	..	..
Health	12	1	4	14	4	..	..	4	7	..	..	9	..	37
Immigration .. .. .	..	..	..	1	..	..	..	..	..	..	..	..	..	..
Industries and Commerce, Tourist and Publicity	4	..	1	39	5	..	..	3	3	..	..	..	..	13
Internal Affairs	9	2	1	40	8	..	..	..	1	..	..	..	..	21
Justice	4	..	..	22	2	..	..	..	..	..	..	..	..	3
Labour	4	..	..	23	1	..	..	..	1	..	..	..	..	..
Land and Deeds	2	..	..	18	3	..	13	..	..	..	..	..	..	..
Land and Income Tax .. .. .	..	..	..	5	20	..	..	..	..	..	..	..	..	..
Lands and Survey	5	6	..	58	..	7	..	..	8	..	..	..	2	6
Marine	3	..	..	8	..	..	..	..	1	..	..	..	..	3
Mental Hospitals .. .. .	..	..	..	10	4	..	..	3	..	..	..	5	1	5
Mines	3	..	..	4	3	..	..	..	2	..	2	..	..	2
National Provident and Friendly Societies .. .. .	..	..	..	3	14	..	..	..	..	..	..	..	..	..
Native	12	..	1	19	2	..	..	..	..	..	..	..	..	10
Native Trust	1	..	..	4	1	..	..	..	..	..	..	..	..	..
Pensions	15	..	..	22	17	..	..	..	..	..	..	..	..	..
Printing and Stationery .. .. .	..	..	..	3	..	1	..	..	..	..	..	..	..	..
Prisons	6	..	..	5	..	..	..	..	..	..	..	..	..	1
Public Service Superannuation .. .. .	..	..	..	..	2	..	..	..	..	..	..	..	..	..
Public Trust	31	3	..	153	2	..	..	..	2	..	..	..	..	6
Public Works	27	5	..	68	5	28	10	52	3	..	57	..	44	95
Scientific and Industrial Research	2	..	..	3	..	..	..	..	..	..	1	..	..	41
Stamp Duties .. .. .	..	..	..	8	2	..	..	..	..	..	..	..	..	..
State Advances	12	12	..	23	7	..	..	..	..	..	..	..	..	..
State Fire Insurance	2	..	..	33	20	..	..	..	..	..	..	..	..	..
State Forests	6	..	..	12	1	3	..	..	..	..	..	..	..	10
Transport .. .. .	..	..	..	..	1	..	..	..	..	..	..	..	..	..
Treasury	1	1	..	7	10	..	..	..	..	..	..	..	..	..
Valuation	3	1	..	20	3	..	1	..	..	..	..	..	..	2
Totals	190	36	25	690	184	39	24	62	82	26	63	14	74	349

Approximate Cost of Paper.—Preparation, not given; printing (615 copies), £21.

By Authority: W. A. G. SKINNER, Government Printer, Wellington.—1933.
Price 6d.]

