

recommendations of the Commission. The Bill, however, was not proceeded with. Alternative proposals to those contained in the Bill have been considered by Government, but so far no action has been taken other than that the sum of £200,000 was last year made available for distribution amongst the three funds. It is understood that similar provision is being made this year.

It is generally admitted that some of the provisions of the various superannuation schemes are too generous—*e.g.*, options as regards early retirements, calculation of pension on basis of average salary for last three years of service, &c.—and, even if Government is unable at present to consider the complete rehabilitation of the funds, I consider it very desirable that legislation should be introduced to tighten up in this direction.

Another matter affecting the Superannuation Funds is a proposal which is being put forward by an organization representing the returned-soldier public servants to have the basis of superannuation allowance altered by adding five years to the actual service of each returned soldier. This would mean that public servants would reach the maximum rate of pension after thirty-five years' service, and would, in effect, mean that a returned soldier would receive an additional pension for five years compared with non-soldier public servants. It is estimated that the extra capital cost involved to the Superannuation Fund by such a proposal would average more than £750 for each returned-soldier public servant. It is a burden which the Government Superannuation Funds should not be asked to shoulder, and if the extra cost is to be regarded as a special charge to be made on the Consolidated Fund due allowance must be made for the fact that the State already has a contingent liability to the funds amounting to some millions for shortages in past annual subsidies alone.

As distinct from the financial difficulties in the way of giving effect to the proposal, there seems to be no justification for granting such a concession. In my opinion, the merits of the request require to be very carefully analysed before any concession is made.

ADMINISTRATIVE CHANGES.

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

- Customs Department : Dr. G. Craig, C.M.G., I.S.O., LL.D., Comptroller of Customs, retired on 30th April, 1935. Mr. E. D. Good, formerly Assistant Comptroller, was appointed Comptroller, and Mr. T. H. M. Tanner succeeded Mr. Good as Assistant Comptroller.
- Industries and Commerce, Tourist, and Publicity Department : Mr. G. W. Clinkard, M.Com., who was Secretary and General Manager of this Department, has been appointed to the position of New Zealand Trade and Tourist Commissioner in Europe, with headquarters at Brussels. Mr. L. J. Schmitt, formerly New Zealand Trade and Tourist Commissioner in Australia, has been appointed Secretary and General Manager *vice* Mr. Clinkard.
- Internal Affairs Department : Mr. Malcolm Fraser, O.B.E., C.V.O., Under-Secretary for Internal Affairs, retired on 28th February, 1935, and was succeeded by Mr. J. W. A. Heenan, LL.B.
- Native Department : Mr. O. N. Campbell, formerly Commissioner for Small Farms, Lands and Survey Department, was appointed Under-Secretary and Native Trustee, Native Department, *vice* Mr. P. G. Pearce, transferred.
- Prime Minister's Department : Mr. C. A. Berendsen, LL.M., was appointed Permanent Head of this Department *vice* the late Mr. F. D. Thomson.
- Stamp Duties and Land and Deeds Departments : Mr. J. Murray retired from the position of Commissioner of Stamp Duties and Secretary for Land and Deeds on the 31st July, 1935. Mr. P. G. Pearce was appointed *vice* Mr. Murray.
- State Advances Department : Mr. G. E. Miller was appointed to the position of Superintendent *vice* Mr. E. O. Hales, who was promoted to the position of Public Trustee.
- Transport Department—Unemployment Board : Mr. G. C. Godfrey, Commissioner of Unemployment and Secretary of Labour, and Mr. J. S. Hunter, Commissioner of Transport, exchanged positions as from 1st June, 1935.
- Treasury Department : Mr. A. D. Park, C.M.G., on his appointment to one of the positions of Joint Managing Director of the Mortgage Corporation of New Zealand, was succeeded by Mr. G. C. Rodda, formerly Assistant Secretary and Accountant. Mr. B. C. Ashwin, M.Com., was promoted from Second Assistant Secretary *vice* Mr. Rodda. Mr. G. G. Rose, M.A., LL.B., was appointed Second Assistant Secretary and also State Advances Superintendent to administer those securities not transferred to the Mortgage Corporation.