

1935.

NEW ZEALAND.

PUBLIC SERVICE COMMISSIONER

(TWENTY-THIRD REPORT OF THE).

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

To His Excellency the Right Honourable George Vere Arundell, Viscount Galway, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Companion of the Distinguished Service Order, Officer 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 Acting Commissioner under the Public Service Act, 1912, I have the honour to submit the following report as required by section 15 of the Act.

REPORT.

SINCE the last report was presented Mr. P. Verschaffelt, C.M.G., LL.B., who was appointed Public Service Commissioner on the 1st June, 1923, resigned as from the 30th June, 1935.

Mr. Verschaffelt was one of the first officers to be appointed to the Commissioner's staff on the coming into operation of the Public Service Act on the 1st January, 1913. Except for some two years in 1919 and 1920, when he was on the staff of the Public Trust Office, firstly as Controller, Wills, Trusts, and Agencies Division, and next as Chief Accountant, Mr. Verschaffelt was attached to the Public Service Commissioner's Office successively as Clerk, Inspector, Secretary, Assistant Public Service Commissioner, and Public Service Commissioner. He therefore has had a large share in the moulding of the Service under Commissioner control. Well acquainted with every branch of the Service and every phase of its work, he brought to its control great ability and energy, and was recognized by all as a fair and strong guardian of its rights and privileges as well as a just dispenser of its appointments. His resignation was received with great regret by all divisions of the Service.

As from the 12th April, 1935, I was appointed Deputy Commissioner during the absence of Mr. Verschaffelt, who was granted leave to enable him to accompany the Right Honourable the Minister of Finance to London. As from the date of Mr. Verschaffelt's resignation, which was tendered while he was in London, I was appointed Acting Commissioner in accordance with the provisions of section 23 of the Finance Act, 1919.

Mr. T. Mark, Secretary, Public Service Commissioner's Office, was appointed Acting Assistant Commissioner as from the 12th April, 1935.

GENERAL QUINQUENNIAL REGRADING.

Section 17 of the Public Service Act, 1912, provided that the Service should be regraded at intervals of not more than five years. In the ordinary course a general regrading of officers of the Public Service was due as at the 1st April, 1934. It was felt, however, that the economic conditions which then existed made it difficult to establish values likely to remain reasonably constant over a period of years, and it was considered that the only practicable course was to postpone the regrading as was done previously during the war period, when the 1918 general regrading was deferred until 1919.

Legislative provision was made, *vide* section 27 of the Finance Act (No. 2), 1933, postponing the general regrading until a date to be fixed by the Governor-General by Order in Council. The provision reads as follows:—

- “(1) The Governor-General may by Order in Council fix a date on which the first general regrading of officers employed in the Public Service, the Post and Telegraph Department, or the Department constituted under the Government Railways Act, 1926, shall be made after the passing of this Act, and may by the same or a subsequent Order in Council fix the date on which the several regratings shall take effect. Such last-mentioned date may be the date fixed for the making of the several regratings, or may be a date earlier or later than that date.
- “(2) Every Order in Council under this section shall take effect according to its tenor, anything to the contrary in any other Act notwithstanding.”

Although it must be remembered that there is provision in the Public Service Act for special regrading where the duties or responsibilities of a particular position have materially increased, a general regrading at regular intervals is in the nature of a periodic stock-taking and is very necessary to ensure that all officers are graded respectively according to fitness and to the character and importance of the work performed by or assigned to each officer and grade.

It is also desirable in order that the Service may, as far as is practicable, be brought into line with conditions and rates of pay prevailing outside the Service. It should not be assumed, however, that a regrading necessarily means a general raising of salary standards. The main purpose is to ensure that officers are placed in the grade or class which will provide a salary relatively commensurate with the responsibilities and duties performed.

It is hoped that if economic conditions continue to improve it may be practicable to fix a date next year.

SALARIES OF ADMINISTRATIVE OFFICERS.

Heads of Departments are included in the Administrative Division. The Public Service Act provides that officers in the Administrative Division, except in the case of those whose salaries are paid by virtue of any Act—*e.g.*, the Controller and Auditor-General—shall be paid such emoluments, salaries, and allowances as may be provided in the annual estimates and authorized by Parliament. The Public Service Commissioner, therefore, has no statutory power to determine the salaries of Heads of Departments, and they are not classified as regards salary as are other officers of the Service. Nevertheless, the Commissioner has on occasion pointed out that in his opinion the salaries paid to Heads of Government Departments do not compare favourably with what is paid to the occupants of no more important positions in the commercial world.

If the Public Service is to be made attractive to men of capacity it is all important that the remuneration of officers exercising important administrative functions should be adequate and commensurate with the importance of their duties.

The only method by which an administrative officer can obtain a review of his salary is by application to his Minister for consideration when the estimates are being framed. In previous reports it has been pointed out that there should be a definite grading of administrative positions according to the duties, importance, and responsibilities of the positions. The position now is that some officers are receiving less remuneration for important administrative positions than is paid to other administrative officers carrying out less important duties. In my opinion, these salaries, generally, call for considerable alteration.

SALARIES OF THE HIGHER PROFESSIONAL OFFICERS.

The maximum salary in the scale provided for officers of the Professional Division is £608 3s. per annum.

An officer may, with the approval of the Public Service Commissioner, be paid a salary in excess of this maximum salary subject to provision being made in the annual estimates and the amount being appropriated by Parliament.

What has been said in regard to officers of the Administrative Division largely applies to the higher professional officers, and it is desirable that some improvement in their salaries should be effected.

A comparison of the salaries paid to engineers of the Public Works Department, medical officers of the Health Department, and others with those paid to members of local-body staffs is definitely unfavourable to the officers of the Public Service, taking into consideration their relative responsibilities.

SALARY ADJUSTMENTS.

The question of restoration of salary reductions has been prominently before the public during the past two years. It is proposed to review briefly the various salary adjustments that have taken place since 1929.

In April, 1931, the Finance Act (No. 1), 1931, was passed. This Act made provision for the adjustment of public expenditure by reducing the rates of salary, wages, and emoluments of all State employees as from 1st April, 1931, by an amount equal to 10 per cent. of the rate at which such employees were paid on the 31st March, 1931. Provision was also made that all scales of salaries and increments should be correspondingly reduced. The estimated amount of the annual saving in salaries of permanent officers under the control of the Public Service Commissioner due to the operation of this reduction was £246,690. In addition, all allowances—*e.g.*, travelling, overtime, relieving, special, or higher duties, &c.—were reduced by 10 per cent.

The National Expenditure Adjustment Act, 1932, made provision for the further adjustment of public expenditure by reducing the rates of wages, salaries, and emoluments of all State employees as from 1st April, 1932, by an amount varying from 5 per cent. to 12½ per cent. of the rate at which such employees were paid on 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, 12½ per cent.

Provision was also made that all scales of salaries and increments should be correspondingly reduced. The estimated annual saving in salaries of permanent officers of the Public Service by reduction in terms of this Act was £185,710.

As from the 1st April, 1934, the salaries, wages, and emoluments of State employees were increased by 5 per cent. on the passing of the Finance Act (No. 2), 1934. This resulted in an increased annual charge of £96,350 in respect of the salaries of permanent officers under the control of the Public Service Commissioner.

The net result of the operation of the above Acts on the salaries of Public Servants has been as under:—

Salaries of £680 8s. and over are still approximately 17·3 per cent. below pre-reduction rates.

Salaries exceeding £224 9s. per annum but not exceeding £680 8s. are still approximately 14·9 per cent. below pre-reduction rates.

Salaries of £224 9s. and under are still 10·2 per cent. below pre-reduction rates.

A further general increase of 7½ per cent., as is now proposed, would bring these percentages to 11·1, 8·5, and 3·5 respectively below 1929 rates, or, in other words, omitting any allowance for the proposed increase, an officer in receipt of a salary of £680 8s. and over needed an increase of 21 per cent., an officer in receipt of a

salary exceeding £224 9s. but not exceeding £680 8s., an increase of $17\frac{1}{2}$ per cent., and an officer receiving £224 9s. and under, an increase of $11\frac{1}{2}$ per cent. to bring salaries up to the 1929 basis. For permanent officers under the control of the Public Service Commissioner, the annual cost of the proposed $7\frac{1}{2}$ -per-cent. increase will be approximately £156,000, whereas a total restoration to 1929 salary rates would cost approximately £335,000 annually.

One unfortunate result from a classification viewpoint of the reductions being at different percentages has been a "drawing together" of rates previously differing by several pounds. As an example, the following typical case is quoted: A "leading hand" prior to the reductions had his additional responsibilities over other tradesmen recognized by an additional £10 per annum. Under the Finance Act (No. 1), 1931, this difference was reduced to £9, but in terms of the National Expenditure Adjustment Act, 1932, the difference in salary disappeared owing to the operation in one case of a 5-per-cent. reduction and in the other of a 10-per-cent. reduction. A similar anomaly occurs with the operation of a 10-per-cent. reduction in some cases and a $12\frac{1}{2}$ -per-cent. reduction in others. It is recognized that such anomalies can effectively be adjusted only at a general regrading of the Service.

The following table, showing the alterations in the salary scales since the Public Service Act came into operation in 1913, illustrates the effect of recent salary adjustments on the present classification of officers. The table shows the cost-of-living increments granted in 1919 and 1920 to meet the increased cost of living at that time, and also the reductions that were made in 1922. It will be noticed that the reductions under the Finance Act (No. 1), 1931, and the National Expenditure Adjustment Act, 1932, even after allowing for the 5-per-cent. increase granted in terms of the Finance Act (No. 2), 1934, and the $7\frac{1}{2}$ -per-cent. increase proposed in the Budget for the present year, have had the effect of bringing the salary scales to a substantially lower level than they were in 1920, and in most grades to a lower level than 1919.

CLERICAL DIVISION.

Class.	1913, Maximum.	1919, Maximum.	1920, Maximum.	1922 (January), Maximum.	1922 (July), Maximum.	1924, Maximum.	1931, Maximum.	1932, Maximum.	1934, Maximum.	1935, Maximum (proposed).
	£	£	£	£	£	£	£	£	£	£
VII	220	270	320	305	295	295	265	239	251	270
VI	260	300	350	330	320	335	301	271	285	306
V	315	350	400	380	370	380	342	308	323	347
IV	370	400	450	430	420	425	382	344	361	389
III	425	450	500	480	470	470	423	381	400	430
II	475	500	550	525	515	515	463	417	438	471
I	600	600	650	625	615	615	553	498	523	562
C, Special ..	..	750	800	775	765	765	688	619	651	699

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.

RAMIFICATIONS OF THE PUBLIC SERVICE.

To the casual observer the fact that the Public Service of this country is gradually growing in numbers furnishes sufficient material for the familiar cry that the Service is overstaffed. The ever-increasing demand for the expansion of social services of all kinds, however, must inevitably swell the numbers of State servants. The growth of the social-service State is, of course, political, and when times are good is probably looked upon by the taxpayer with a benevolent eye. In times of financial depression, however, the taxpayer becomes alarmed at the magnitude of the salary bill, and the oft-repeated cries of "overstaffing" and "financial prodigality" are raised. Once social services are established it becomes an exceedingly difficult matter at a later date to dispense with or curtail them. They have come to be regarded by the taxpayer as a right or necessity, and any curtailment is much resented.

In this connection the following extracts from "Shadows and Realities of Government," by F. A. Bland, M.A., LL.B., are of interest :—

"But general charges of overmanning and overpayment are easier to make than to substantiate (as several Royal Commissions have discovered), and critics usually overlook the fact that modern legislative programmes require staffs to administer them. There is no more arresting feature of modern society than the growth and ramification of governmental activities. The traditional functions of the maintenance of external security and internal order and of the administration of justice are still of paramount importance, particularly in older countries. But the supremacy of these constituent (or negative) functions is being challenged by new requirements arising out of the social, intellectual, artistic, and economic conditions of modern times. The urgency of providing educational facilities, the safeguarding of public health, the care of the sick, infirm, and insane, the establishment and direction of public-utility schemes, the provision and maintenance of transport and communication, the fostering and development of economic resources, the regulation of commerce and industry, the constant oversight of the intensified struggle between capital and labour make far-reaching and often novel demands upon Governments. It ought to be obvious that the discharge of these ministrant (or positive) functions requires an immense army of officials of all grades. Yet much of the resentment which manifests itself in charges of ineptitude against the officials arises from a feeling of mortification at the incursion of the State into many of these domains.

"The problem of governmental administration, therefore, presents itself differently to different critics. To one it is the question of whether the particular functions should be discharged by the State at all. To another, smarting under the imposition of super taxes and increased local rates, it is questionable whether the service is justified by the cost of its performance. To a third, the problem centres round the nature and adequacy of the administrative machinery. . . ."

Again, the same author, in his book "Planning the New State," writes as follows :—

"Merely to quote the figures of public expenditure and to point to the wide ramifications of Government Departments is arresting, but what is really significant is the changed political philosophy of which the expenditure is merely an expression. How far this new philosophy challenges the fundamental beliefs of the nineteenth century and how far it would have been either possible or desirable to deny or postpone the demands of the masses, who had been educated to expect improved social and economic conditions, we need not stop to inquire. It is interesting, however, to recall one of Edmund Burke's vigorous utterances when he adjured Parliament to resist the idea that it was within the competence of the Government, as a Government, to supply the poor with those things that it had pleased Providence to withdraw from them. However convincing this philosophy might have been at the end of the eighteenth century, at the end of the nineteenth century it had been very generally rejected, and from the beginning of the twentieth century Governments have been increasingly doing what Burke had urged them not to do. And this meant intervention, first in one department of life and then in another, all necessitating expanding expenditures. Not only education and public health, in all their features, but housing, employment, the regulation of industry and wage rates, matters which had received only passing attention in the nineteenth century, began to absorb in ever-increasing degree the attention of Governments. . . . But the protest against such expenditures lacks organized leadership. Rather do we find that expenditure upon social services is being justified on the ground that it increases the productivity of the community and keeps both the national income and the public revenue more buoyant."

In many Departments the financial depression brought in its wake new problems, together with complexity and increased volume of work. By way of illustration the following instances are cited :—

Work arising out of the Government's special finance legislation—*e.g.*,
sales tax, variation of pensions, reduction in interest, conversion of
loans, mortgage legislation, &c.

Administration of the Unemployment Fund.

Native-land development.

Increased activity in mining.

The position in the various Departments under the control of the Public Service Commissioner has been closely watched, and as necessity arose staff has been diverted from Departments showing a falling-off in activity to those showing an increase. During the years 1931 and 1932 every endeavour was made by this method to carry on without replacing officers resigning or retiring. It was, of course, realized that in the interests of efficiency, and to provide the necessary material for training, this

course could not be continued for long. Since early in 1933 it has therefore been necessary to resume gradually the appointment of cadets to replace numerically officers leaving the Service.

The following table shows the permanent staff attached to the various Departments as at 1st April, 1930, 1st April, 1934, and 1st April, 1935 :—

Number of Officers and Total Annual Salaries (excluding Administrative Officers and Native-school Teachers).

Department.	As at 1st April, 1930.		As at 1st April, 1934.		As at 1st April, 1935.	
	Officers.	Total Classification Salaries.	Officers.	Total Classification Salaries.	Officers.	Total Classification Salaries.
		£		£	(Provisional.)	
						£
Agriculture	558	197,664	504	157,965	508	161,568
Audit	158	51,790	166	49,592	173	51,110
Cook Islands	..	..	4	1,122	..	..
Crown Law	6	3,925	5	3,141	7	4,010
Customs	310	101,695	303	87,734	328	90,279
Defence	47	12,290	30	7,447	30	7,416
Education	297	110,164	254	80,145	261	82,890
External Affairs	6	1,810	4	1,029	..	..
Government Insurance	107	33,765	102	28,714	105	29,637
Health	453	119,443	382	96,238	381	92,884
Immigration	10	3,160	..	..	..	..
Industries and Commerce	10	4,140	..	..	..	..
Industries and Commerce, Tourist, and Publicity	..	..	160	40,864	160	39,915
Internal Affairs	379	103,357	268	64,153	242	56,934
Justice	270	76,790	..	..	..	..
Justice and Prisons	..	..	534	137,527	535	138,083
Labour	102	31,450	94	26,259	182	46,518
Land and Deeds	131	39,425	123	34,802	122	35,450
Land and Income Tax	159	42,310	175	43,782	189	45,933
Lands and Survey	627	187,140	569	158,550	576	159,750
Marine	189	66,654	161	49,869	164	50,659
Mental Hospitals	945	218,125	1,089	215,746	1,089	217,368
Mines	53	17,870	48	14,572	50	15,562
National Provident and Friendly Societies	35	9,285	30	7,580	29	7,175
Native	74	22,815	116	30,195	118	31,611
Native Trust	28	8,720	..	..	..	..
Pensions	107	27,000	103	24,775	104	25,036
Police	6	2,045	6	1,845	7	2,249
Prime Minister's	1	825	1	682	..	..
Prime Minister's, External Affairs, and Cook Islands	..	..	..	..	6	1,682
Printing and Stationery	305	87,575	233	58,717	236	59,088
Prisons	243	68,645	..	..	..	..
Public Service Commissioner's	8	3,370	8	2,562	7	2,284
Public Service Superannuation	9	2,450	9	2,108	8	2,004
Public Trust	646	197,700	666	184,130	688	188,890
Public Works	758	246,354	637	191,471	649	194,414
Scientific and Industrial Research	53	20,890	59	20,250	59	20,894
Stamp Duties	76	22,435	71	19,450	70	19,466
State Advances	97	24,700	105	25,240	110	25,657
State Fire Insurance	136	38,810	132	35,570	131	36,027
State Forest	123	39,685	100	28,723	98	28,696
Tourist	103	26,789	..	..	..	..
Transport	7	2,945	10	3,105	21	5,500
Treasury	88	26,200	85	23,106	82	22,863
Valuation	83	30,320	73	23,992	72	23,341
	7,803	2,332,527	7,419	1,982,771	7,597	2,022,759
Plus 7½ per cent. general salary increase	..	..	..	..	..	151,707
	7,803	2,332,527	7,419	1,982,771	7,597	2,174,466

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

The following changes have been given effect to during the period under review :—

Cook Islands became a separate Department (previously shown with External Affairs Department), and later, with the External Affairs Department, was combined with the Prime Minister's Office.

Industries and Commerce Department merged with Tourist and Publicity Department.

Justice Department merged with Prisons Department.

Native Trust Department merged with Native Department.

Census and Statistics Branch transferred from Internal Affairs Department to Industries and Commerce, Tourist, and Publicity Department.

Office of Registrar-General transferred from Internal Affairs Department to Justice and Prisons Department.

Immigration Department merged with Labour Department.

It will be noticed that during the year the staff of several Departments showed an increase. The reasons for these increases are as follow :—

Customs Department : The increase in volume of work resulting out of the sales tax made necessary the appointment of additional cadets to this Department.

Labour Department : The increase shown in this Department is more apparent than real. Officers previously loaned from other Departments were transferred to the Unemployment Section of the Labour Department.

Land and Income Tax Department : Increased volume of work rendered necessary the appointment of additional cadets.

Public Trust Department : Expansion of business and necessity for appointing juniors for training.

Public Works Department : As will be noticed, the permanent staff of this Department was reduced by more than one-seventh between 1930 and 1934. Owing to increased activity during the year it became necessary to augment the staff.

Transport Department : Here, again, the increase is more apparent than real. This Department previously had several officers on loan from other Departments, and these officers were transferred to the Transport Department during the year.

ACCOMMODATION.

As has been mentioned in previous reports, the lack of adequate centralized office accommodation in the main centres has had a serious effect on both efficiency and economy. The position will be improved in the near future when the new State Fire Building in Christchurch, the new Chief Post-office in Dunedin, and the new Government Life Insurance Building in Wellington are completed. It is understood that provision is now being made for new departmental buildings in Auckland and Wellington.

The Government Buildings Accommodation Board continues to do good work, and with the active co-operation of officers of the Public Works Department considerable economies have been effected.

MORTGAGE CORPORATION OF NEW ZEALAND.

The Mortgage Corporation of New Zealand Act, 1934-35, provided for the establishment of a body corporate to be called the Mortgage Corporation of New Zealand, and, with exceptions, provided for the transfer of certain specified classes of securities from the Crown to the Corporation. Transfers have already been effected from the State Advances Department, and practically the whole of the staff of that Department is now working with the Mortgage Corporation. The officers are regarded as being seconded for duty from the Public Service for a period of up to two years, and their superannuation and other rights as public servants are being safeguarded for that period.

In the event of the transfer to the Corporation of the securities at present being administered by the Lands and Survey Department similar arrangements will be made in regard to the staff of that Department affected by the transfer.

EFFICIENCY OF THE SERVICE.

I am pleased to report that the general standard of efficiency throughout the Service is high and that officers generally are well equipped to carry out their various duties.

The larger Departments are regularly and frequently inspected by departmental Inspectors, and copies of their reports are forwarded to this Office. The results obtained from this source of inspection indicate that Departments are maintaining a high standard of efficiency.

Copies of all reports by Audit and Treasury Inspectors are also supplied to the Public Service Commissioner.

Since the appointment of Mr. Pearce, formerly Public Service Inspector, to the position of head of a Department on the 28th November, 1933, there has been no regular inspection by this Office, but it is recognized that it is not desirable that this position should remain unfilled for any length of time.

ORGANIZATION AND MANAGEMENT.

The Public Service Act in effect applies to all employees of the State except Judges of the Supreme Court, Stipendiary Magistrates, officers or members of the Military and Naval Forces, members of the Police Force, officers of the Post and Telegraph Department, officers of the Legislative Department, and members of the New Zealand Government Railways Department.

The duties of the Public Service Commissioner are not confined to such matters as the appointment of staff, the classification of officers, and the general oversight over staff conditions. Reference to section 12 of the Public Service Act will show that he has other duties of far-reaching importance. This section requires the Commissioner to investigate the efficiency, economy, and general working of each Department both separately and in its relation to other Departments. Matters brought under review are as follows:—

- Improved organization and procedure ;
- Simplification of work and introduction of mechanical appliances ;
- Co-ordination of work ;
- Limitation of staffs to actual requirements ;
- Utilization of staff to best advantage ;
- Improvement in training of officers ; and
- Institution of standard practice and uniform instructions for carrying out recurring work.

For practical purposes all Departments under the Public Service Act may be regarded as one large Department under the general control of the Public Service Commissioner, who is responsible for—

- (a) The general scheme of organization under which the staffs are required to do their work ;
- (b) The character of the personnel employed ; and
- (c) The methods of accounting and the office systems or business methods employed.

In these matters the Public Service Commissioner works in close co-operation with the Treasury and the Controller and Auditor-General.

PUBLIC SERVICE SUPERANNUATION FUND.

In previous reports reference has been made to the unsatisfactory state of the Public Service Superannuation Fund, which, in the near future, will not be able to meet its obligations unless some improvement is effected. The other State superannuation funds—i.e., Teachers' and Railways—are in a similar position.

A sound pension scheme is essential in any well-ordered Service, and following on the report of the National Expenditure Commission a Bill was introduced during the 1932 session of Parliament in which provision was made to give effect to the

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.

DEPARTMENTAL OFFICERS ON LOAN 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 (including officers on duty in England but not attached to High Commissioner's Office)	Taylor, F. H.	Agriculture.
	Were, G. V.	"
	Rutherford, J. P. ..	Audit.
	McLachlan, A. P. ..	"
	Lawrence, F. W. ..	Customs.
	Mitchell, T.	"
	Lishman, G. D. ..	Industries and Commerce, Tourist, and Publicity.
	Reid, A. N.	Ditto.
	Campbell, R. M. ..	Internal Affairs.
	Mitchinson, Miss E. ..	"
	Jervis, D. M.	"
	Sandford, F. T. ..	Labour.
	Wright, N. L.	Scientific and Industrial Research.
	Mackay, A. R. F. ..	Treasury.
	Barker, D. W. A. ..	"
Samoa (including officers on duty in Samoa but not attached to Administration)	Peddie, J. J. G. ..	Agriculture.
	McCulloch, W. R. ..	Audit.
	Wilkins, A. E. N. ..	"
	Roberts, W. H. ..	"
	Moorhouse, A. F. ..	Customs.
	McKay, C. G. R. ..	External Affairs.
	Quin, C. E. H.	"
	Turbott, H. B.	Health.
	Turnbull, A. C.	Internal Affairs.
	Norrie, J. A.	"
	Williams, P. N. ..	"
	Dyer, W. R.	Lands and Survey.
	Bridle, A. C.	"
	Horrax, J. S.	Mines.
	Gratton, F. J. H. ..	Public Trust.
	Sapsford, H. B. ..	Scientific and Industrial Research.
	Baird, H. F.	"
	Wadsworth, J.	"
	Crowther, W. J. ..	Treasury.
Cook Islands	Nottage, I. L.	Agriculture.
	Larsen, C. H. W. ..	External Affairs.
	Cook, L. M.	"
	McMahon-Box, J. P. ..	Customs.
	Bell, M. V.	Native.
Secretariat to League of Nations Fiji	Luckham, A. A. ..	Prisons.
	Chapman, J. H. ..	Customs.
	Gibson, H. H.	Mines.

CONFERENCES.

Conferences of officers as set out below were held during the year :—

Department.	Nature of Conference.
Agriculture	Fields Superintendents : To discuss general matters relating to the Fields Division.
	Veterinarians and District Superintendents : To discuss details in connection with the Meat Inspection service.
Industries and Commerce, Tourist, and Publicity	District Managers and Hostel Managers : To discuss departmental programme.
Labour (Unemployment Board) ..	Certifying Officers : To discuss unemployment administrative matters.
Lands and Survey	Commissioners of Crown Lands : To discuss departmental problems.
Public Works	Engineers : To discuss departmental activities and problems,

PUBLIC SERVICE BOARD OF APPEAL.

The Public Service Act, 1912, as amended by the Public Service Amendment Act, 1927, provides for the setting-up of a Public Service Board of Appeal constituted as follows :—

“(a) Two persons, of whom at least one shall be an officer of the Public Service, to be appointed by the Governor-General, and to hold office for a term not exceeding three years :

“(b) Two persons, being officers of the Public Service employed in different Departments, to be elected by the officers of the Public Service in the manner hereinafter prescribed.

“One of the members appointed by the Governor-General pursuant to paragraph (a) of the last preceding subsection shall be appointed by him as the Chairman of the Board.

“The persons elected in accordance with the provisions of paragraph (b) of the last preceding subsection shall not be entitled to sit as members of the Board of Appeal at the same time, and shall mutually agree as to which of them shall act as a member of the said Board in any particular appeal. In default of such agreement the person so to act shall be determined in the manner prescribed by regulations.”

The present members of the Board are—

Under paragraph (a) : Colonel J. J. Esson, C.M.G., V.D. (Chairman) and Mr. J. H. Jerram, General Manager, State Fire and Accident Insurance Department.

Under paragraph (b) : Messrs. A. S. Houston (Department of Agriculture) and J. H. McKay (Stamp Duties Department).

Every officer has a right of appeal against—

“(a) Any determination of the Commissioner made pursuant to section seventeen of the principal Act fixing the maximum salary payable in respect of any position in the Professional or Clerical Division, or relating to the grading of any officer of any other division ; or

“(b) Any determination of the Commissioner in respect of an application made by such officer for promotion by means of appointment to any office or position for which applications have been called ; or

“(c) Any appointment made by the Commissioner pursuant to subsection three of section eight hereof without having notified the vacancy or called for applications to fill the same if his appointment to fill such vacancy would have involved the promotion of the appellant ; or

“(d) Any determination of the Commissioner in respect of a charge made against such officer of having committed any offence in relation to his official duties ; or

“(e) Any penalty imposed on such officer by the Commissioner in respect of any offence as aforesaid, except in cases where it is expressly provided that the decision of the Commissioner shall be final ; or

“(f) Any other determination in respect of which a right of appeal is expressly conferred by the principal Act or any other Act.”

The following is a summary of appeals dealt with during the period 1st April, 1934, to 31st March, 1935 :—

Decisions recorded.					Classification.	Non- appointment.	Dismissal.	Total.
Allowed	..	..	..	..	..	1	..	1
Not allowed	..	..	..	..	..	57	..	57
Do not lie	..	..	..	..	2	2	..	4
Withdrawn	..	..	..	..	..	8	..	8
					2	68	..	70

It is significant that the number of appeals upheld by the Board has on the whole been relatively small. This is as it should be in a well-regulated Service. Promotions are not made in a haphazard method, but only after very careful consideration of the merits of the applicants for promotion. It is stated, on the other hand, that the system of appeal is not efficient in that only a small number of appeals are allowed. I feel sure, however, that the real reason lies in the fact that not only is the Commissioner solicitous to appoint the applicant best qualified by “merit,” but also that departmental Heads realize that the old idea of promotion by seniority has been abandoned, and they have considerably assisted the Commissioner in the selection of the best-qualified applicant, and have had the courage of their convictions in stating their views and the reasons for these views before the Appeal Board.

LEAVE OF ABSENCE FOR EDUCATIONAL AND TRAINING PURPOSES.

During the year the following officers were granted leave of absence to enable them to proceed abroad for educational and training purposes :—

- Champtaloup, Dr. M. A., Medical Officer of Health and School Medical Officer, New Plymouth, Health Department : To proceed abroad to study public-health activities.
- Davies, E. B., Assistant Analyst, Chemical Laboratory, Wellington, Agriculture Department : To visit England to gain experience in agricultural research.
- Dickens, T. A. J., Electrical Engineering Cadet, Kurow, Public Works Department : To proceed to England for training at Metropolitan-Vickers Electrical Co., Manchester.
- Frankel, Dr. O. H., Wheat-breeder, Christchurch, Scientific and Industrial Research Department : To visit England and Germany to study plant-breeding methods.
- Gibbs, J. G., Instructor in Agriculture, Palmerston North, Agriculture Department : To take up a Commonwealth Fund Service Fellowship in America.
- Johnson, H. W., Technical Inspector, Head Office, Health Department : To proceed abroad to study hospital working, planning, and construction.
- Shorland, F. B., Assistant Analyst, Chemical Laboratory, Wellington, Agriculture Department : To proceed to England to take up a National Research Scholarship.

DEPARTMENTAL OFFICERS ABROAD ON DUTY.

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

- Ball, D. G., Inspector of Native Schools, Education Department, Wellington : To Niue, Samoa, and Fiji to inspect schools.
- Barnett, Dr. M. A. F., Physicist, Scientific and Industrial Research Department, Wellington : To England, to bring back the latest information in regard to geophysics and the storage and transport of foodstuffs. During his absence Dr. Barnett was promoted to the position of Assistant Meteorologist, and proceeded to study aviation meteorology at the British Meteorological Office, and to visit Bergen, Norway, to study methods of weather forecasting.
- Butcher, J. W., Government Statistician, Industries and Commerce, Tourist, and Publicity Department, Wellington : To Ottawa, to attend the Conference of Empire Statisticians.
- Campbell, Dr. R. M., Private Secretary to Minister of the Crown, Internal Affairs Department, Wellington : To Australia, with Ministerial Delegation in respect of trade matters.
- Craig, Dr. G., Comptroller, Customs Department, Head Office : To Australia, with Ministerial Delegation in respect of trade matters.
- Gunn, Dr. E. C., School Medical Officer, Health Department, Wanganui : To Melbourne, to attend the Australasian School Medical Officers' Conference.
- Hopkirk, Dr. C. S. M., Officer-in-Charge, Veterinary Laboratory, Agriculture Department, Wallaceville : To Australia, to attend a meeting of the Australian and New Zealand Association for the Advancement of Science, and to discuss various matters with research workers and Government officials on behalf of the Department.
- Kidson, Dr. E., Director, Meteorological Office, Scientific and Industrial Research Department, Wellington : To England, to attend the Conference of Empire Meteorologists, and also to attend the International Meteorological Conference at Warsaw.
- Lambourne, N. T., Director, Education Department, Wellington : To England and America to report on education matters generally.
- MacLennan, T., District Electrical Engineer, Public Works Department, Hamilton : To England and America, to bring back engineering information and to see new plant for Arapuni being made.
- Monaghan, Dr. P. J., Acting Chief Medical Officer, External Affairs Department, Western Samoa : To Sydney, to attend the International Pacific Health Conference.
- Packwood, R. H., District Engineer, Public Works Department, Kurow : To Europe and America, to inspect hydro-electric works.
- Prendeville, J., Crown Solicitor, Crown Law Department, Wellington : To England, to inquire into patent and copyright law.
- Smith, S. J., Secretary, Cook Islands Department, Wellington : To Cook Islands, to report on hurricane damage.
- Sutherland, R., Cool Storage Officer, Agriculture Department, Wellington : To England, to effect the co-ordination of fruit research in New Zealand with what is being conducted in England.
- Wadsworth, J., Director, Apia Observatory, Scientific and Industrial Research Department, Samoa : To Warsaw, to attend the International Meteorological Conference, and to visit England and Europe.
- Watt, Dr. M. H., Director-General of Health, Health Department, Wellington : To Sydney, to attend the International Pacific Health Conference, and to look into modern developments in hospitals and public-health matters.
- West, H. E., Wheat Research Chemist, Scientific and Industrial Research Department, Christchurch : To America, to see the latest developments in cereal chemistry of the milling and baking industry.
- White, P., Leather Research Chemist, Scientific and Industrial Research Department, Wellington : To England and America, to obtain up-to-date information on the latest methods of leather-manufacture and hide-processing.

SUGGESTIONS FOR IMPROVEMENT.

Under P.S. Reg. 17, officers are invited to forward for the consideration of the Commissioner any fresh ideas or proposals that are likely to improve the organization or efficiency of the Service. Such suggestions are appreciated and are given every consideration. In cases where a suggestion of merit is brought forward, it is the practice to make a small monetary reward.

Though no such monetary consideration was granted, the following suggestions, made during the year, are worthy of special mention :—

Name.	Department.	Suggestion.
Wood, A. E.	Agriculture	Adoption of printed sticker for the purpose of conveying instructions regarding the charging of freights.
Williamson, A. A.	Public Works	Use of stencilled extracts of "Estimates and Appropriations" in Department.
Boyes, F. C. B.	Land and Deeds	Regarding work of Land Transfer Office.

SPECIAL RECOGNITION OF DEPARTMENTAL OFFICERS.

The undermentioned officers were commended for special services during the year, and a gratuity was awarded in recognition of the excellent work of the officers concerned :—

Wardell, W. C., Assistant Examining Officer, Customs Department, Auckland : Detection of breach of Tobacco Act, whereby some thousands of pounds duty was recovered by Department.

Greensmith, E. L., Assistant Accountant, Head Office, Public Works Department : Compilation of a book of General Instructions for the guidance of officers of Department.

Shand, G., Charge Attendant ; Cuthbertson, E. M., and Rogers, F., Attendants ; Sheldon, D. S., Prince, L. M., and Toms, L. M., Deputy Charge Nurses ; of the Mental Hospitals Department, Nelson : Work in connection with fighting an outbreak of fire in the boiler house at Ngawhatu.

Carter, H., Overseer, Printing and Stationery Department, Wellington : Special services rendered and economies effected.

In addition, H. Rose, Night Overseer, Printing and Stationery Department, Wellington, was specially commended for initiative in connection with an outbreak of fire in the Printing Office.

APPOINTMENTS TO CADETSHIPS.

It was decided in 1932 to substitute the University Entrance Examination for the Public Service Entrance Examination as the minimum qualification for appointment, and, at the same time, the age-limit was extended from nineteen to twenty-one years. Consequently a high standard of education is attained by candidates desiring appointment.

In the circumstances, the practice adopted in selecting appointees is to give preference firstly to lads who have passed a section of the Accountants' Professional Examination or of a University degree ; secondly, to those who have passed the University Scholarship Examination with credit ; then to those with University Entrance together with a Higher Leaving Certificate, and lastly to those who have passed the University Entrance Examination. An order-of-merit list is prepared according to the marks obtained in the various examinations.

Owing to economic conditions, in the years 1931 and 1932 two appointments only were made to cadetships ; in 1933, 137 were appointed ; in 1934, 207 ; while for the period January to August of this year the number has risen to 227.

It may be mentioned that in 1934 a School Certificate Examination was instituted by the Education Department for the purpose of enabling students who do not intend to proceed to the University to obtain a certificate indicating the standard of education acquired in a post-primary school. As this examination does not encourage or facilitate a lad studying towards a degree, it was decided not to accept it as a qualifying examination for appointment to a cadetship.

PUBLIC SERVICE EXAMINATIONS FOR SHORTHAND-TYPISTS.

The usual examinations for shorthand-typists were held in November and December of last year.

The Junior and Senior Entrance Examinations were held in thirty-one centres and there were 1,114 entries, an increase of 137 over the previous year. Four hundred and eighty-one candidates were successful in passing the examinations, 617 failed, and 16 did not present themselves.

These examinations are competitive. An order-of-merit list of the successful candidates is prepared for each examining centre, and appointments to the Service are, as far as possible, made from the local pass-list, candidates who have passed the Senior Examination being given preference.

The Junior Examination requires a speed of eighty words a minute in shorthand and thirty words a minute in typewriting, while the Senior speeds are 110 words a minute in shorthand and forty words a minute in typewriting.

The Intermediate and Special Examinations are held in the four chief centres. For these there were 88 entries; 29 of the candidates were successful, and 59 failed.

The requirements of the Intermediate Examination are 130 words a minute in shorthand and fifty words a minute in typewriting, and of the Special Examination 150 words a minute in shorthand and fifty words a minute in typewriting.

Four candidates presented themselves for the Shorthand Reporters' Examination, one being successful. The Reporters' Examination requires a speed of 150 to 180 words a minute in shorthand with not more than 1 per cent. of error in transcription.

The latter three examinations are used for promotion purposes.

AMENDMENTS TO THE GENERAL REGULATIONS.

In consequence of the passing of the Finance Act (No. 2), 1934, making provision for an increase in salary or wages of 5 per cent., the following regulations were amended:—

Regulations 8, 109, 111, 117, 197, 201, 209, 213, and 214—increasing salaries and rates in accordance with the Act.

OFFENCES BY OFFICERS.

Offences and irregularities are dealt with in accordance with the provisions of sections 12 and 13 of the Public Service Amendment Act, 1927.

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

- (a) Misappropriations (3): Forfeited office.
- (b) Irregularities (1): Retired.
- (c) Unsatisfactory work (12): Services terminated (1), resignation accepted (2), retired (1), transferred and disgraced (6), fined (2).
- (d) Unsatisfactory conduct (9): Services terminated (1), appointment annulled (1), resignation accepted (2), retired (1), increment withheld (2), transferred (2).

STATISTICAL TABLES.

It is customary to include as appendices to the annual report statistical tables showing the summarized classification of Departments and a comparison with the previous year's salaries. The data for the tables is dependent on the figures in the Classification List. As, however, the list for this year has not yet been issued, it has not been possible to include the tables for this year. A similar position arose last year, but the tables which would in the ordinary course have been printed with last year's report are included in this report.

CONCLUSION.

I am pleased to say that during the difficult period through which the Dominion has passed Heads of Departments and staffs generally have been fully appreciative of the need for continual oversight of expenditure, and all staffs have been earnest in their endeavours to provide adequate and efficient service as economically as possible.

Another pleasing feature has been the particularly harmonious relations existing between this Office and the staffs of the Service generally, and also with representatives of the Public Service Association.

I desire to express my appreciation of the loyal support accorded me by Permanent Heads and by officers throughout the Service, and particularly to the members of my own staff for their loyal and devoted assistance.

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

A. D. THOMSON, Acting Commissioner.

T. MARK, Acting Assistant Commissioner.

Office of the Public Service Commissioner,
Wellington, 23rd September, 1935.

TABLE I.—PUBLIC SERVICE LIST, 31ST MARCH, 1934.—GENERAL SUMMARY OF CLASSIFICATION BY DEPARTMENTS (EXCLUDING OFFICERS IN ADMINISTRATIVE DIVISION).

Department.	Number of Officers.	Total Salaries, Year ending 31st March, 1934.	Classification Salaries, Year ending 31st March, 1935.	5 per Cent. General Increase.	Scale Increase.
		£	£	£	£
Agriculture	503	148,726	157,548	7,317	1,504
Appointed, 1/4/34	1	..	416	..	..
On loan	5	..	..	..	..
On leave	1	..	..	..	..
Audit	166	46,032	49,592	2,269	1,290
On loan	1	..	..	..	..
Cook Islands	4	1,043	1,122	52	27
On loan	2	..	..	..	..
Crown Law	5	2,991	3,141	149	..
Customs	303	82,202	87,734	4,018	1,512
On loan	2	..	..	..	..
On leave	1	..	..	..	..
Defence	30	6,988	7,447	350	108
Education	254	75,630	80,145	3,699	816
External Affairs	4	950	1,029	47	31
On loan	2	..	..	..	..
Government Insurance	102	26,404	28,714	1,322	987
Health	382	90,535	96,238	4,436	1,266
On leave	1	..	..	..	..
Industries and Commerce, Tourist and Publicity	160	37,977	40,864	1,906	979
Internal Affairs	268	59,942	64,153	2,940	1,270
On loan	4	..	..	..	..
On leave	3	..	..	..	..
Justice and Prisons	534	129,010	137,527	6,325	2,191
On loan	1	..	..	..	..
Labour	94	24,626	26,259	1,211	422
On loan	1	..	..	..	..
Land and Deeds	123	32,563	34,802	1,618	621
Land and Income Tax	175	39,422	43,782	1,947	2,411
Lands and Survey	569	147,452	158,550	7,331	3,767
On leave	1	..	..	..	..
Marine	161	47,215	49,869	2,360	294
Mental Hospitals	1,089	204,001	215,746	9,811	1,934
Mines	48	13,582	14,572	670	319
National Provident and Friendly Societies	30	6,939	7,580	347	293
Native	116	27,964	30,195	1,400	830
On loan	1	..	..	..	..
Pensions	103	22,780	24,775	1,140	854
Police	6	1,741	1,845	87	17
Prime Minister's	1	649	682	32	..
Printing and Stationery	233	55,680	58,717	2,959	76
On leave	5	..	..	..	..
Public Service Commissioner's	8	2,418	2,562	108	35
Public Service Superannuation	9	1,821	2,108	91	196
Public Trust	666	170,660	184,130	8,478	4,991
On loan	1	..	..	..	..
On leave	1	..	..	..	..
Public Works	637	179,760	191,471	8,955	2,755
On loan	2	..	..	..	..
On leave	1	..	..	..	..
Scientific and Industrial Research	59	18,962	20,250	949	339
Stamp Duties	71	18,204	19,450	911	334
State Advances	105	22,839	25,240	1,130	1,270
On loan	1	..	..	..	..
State Fire Insurance	132	33,105	35,570	1,657	808
State Forest	100	27,026	28,723	1,353	344
On leave	1	..	..	..	..
Transport	10	2,860	3,105	143	101
Treasury	85	21,327	23,106	1,049	730
On loan	2	..	..	..	..
Valuation	73	22,587	23,992	1,089	314
Totals	7,418	1,854,630	1,982,354	91,672	36,052
Appointed, 1/4/34	1	..	416	..	..
On loan	25	..	..	..	..
On leave	15	..	..	..	..
Totals, 31/3/34*	7,418	1,854,630	..	..	..
Totals, 31/3/35*	7,419	..	1,982,771	..	..
Native-school teachers	330	63,851	..	..	..
Vacant, 1/4/34	13	..	..	..	..

* Excluding 25 officers on loan and 15 on leave without pay.

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

TABLE II.—PUBLIC SERVICE LIST, 31ST MARCH, 1934.—GENERAL SUMMARY OF CLASSIFICATION BY CLASSES (EXCLUDING OFFICERS IN ADMINISTRATIVE DIVISION).

Class (excluding Administrative).	Number of Officers.	Total Salaries, Year ending 31st March, 1934.	Classification Salaries, 31st March, 1935.	5 per Cent. General Increase.	Scale Increase.
Professional—		£	£	£	£
Over scale	76	51,452	54,079	2,586	41
A	108	58,672	61,502	2,829	..
A (on leave)	1	..	..	..	..
B	127	57,169	60,092	2,816	106
C	114	44,064	46,311	2,204	42
C (appointed, 1/4/34)	1	..	416	..	..
D	116	37,008	39,145	1,821	314
D (on loan)	2	..	..	..	..
E	56	12,857	13,941	653	430
F	6	931	1,095	46	116
Clerical—					
Special	70	40,479	42,474	1,909	85
Special (on loan)	1	..	..	..	..
I	94	44,448	47,006	2,221	336
I (on leave)	1	..	..	..	..
II	77	31,614	33,432	1,562	255
II (on loan)	1	..	..	..	..
III	160	59,616	62,772	2,964	191
III (on loan)	1	..	..	..	..
IV	212	72,094	75,922	3,594	234
IV (on leave)	1	..	..	..	..
V	266	80,643	85,312	4,005	663
V (on loan)	3	..	..	..	..
V (on leave)	1	..	..	..	..
VI	539	144,767	153,149	7,175	1,207
VI (on loan)	1	..	..	..	..
VII (£233/18/0-£250/18/0)	1,138	262,838	281,863	13,041	5,984
VII (on loan)	8	..	..	..	..
VII (on leave)	1	..	..	..	..
VII (£188/11/0-£224/9/0)	554	98,758	113,781	4,931	10,091
VII (on leave)	..	..	..	..	..
VII (£71/17/0-£170/12/0)	..	57,545	72,621	3,028	12,047
VII (on loan)	..	..	..	..	..
VII (on leave)	..	..	..	..	..
General—					
I (£273 and over)	708	226,502	238,111	11,137	471
I (on loan)	3	..	..	..	..
I (on leave)	1	..	..	..	..
II (£208-£272)	1,409	312,653	329,142	15,551	937
II (on loan)	3	..	..	..	..
II (on leave)	6	..	..	..	..
III (£171-£207)	460	84,288	89,203	4,011	903
III (on loan)	1	..	..	..	..
III (on leave)	1	..	..	..	..
IV (£170 and under)	540	65,253	69,654	3,030	1,371
Educational—					
I (£273 and over)	10	3,369	3,585	168	46
II (£208-£272)	17	3,854	4,113	192	66
III (£171-£207)	16	2,872	3,052	143	36
IV (£170 and under)	6	872	987	43	71
Totals	7,418	1,854,630	1,982,354	91,672	36,052
Appointed, 1/4/34	1	..	416	..	..
On loan	25	..	..	..	..
On leave	15	..	..	..	..
Totals, 31/3/34*	7,418	1,854,630	..	..	..
Totals, 31/3/35*	7,419	..	1,982,771	..	..
Native-school teachers.. .. .	330	63,851	..	..	..
Vacant, 1/4/34	13	..	..	..	..

* Excluding 25 officers on loan and 15 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 1933-34 AND 31ST MARCH, 1934.

Classified List, 1933-34.				Increase.												Decrease.																											
Departments.	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.		Net Increase or Decrease.		At 31st March, 1934.		Departments.												
			(2) To fill Vacancies.	(3) As Additions to Staff.	(4) To fill Vacancies.	(5) As Additions to Staff.	(6) To fill Vacancies.	(7) As Additions to Staff.																																			
			Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.		Number of Officers.	Total Classified Salaries.										
Agriculture ..	513	152,916	16	£ 392	3	£ 712	..	£ ..	8	£ 1,155	..	£ ..	1	£ 259	..	£ ..	12	£ 2,519	1	£ 40	5	£ 1,336	4	£ 1,015	7	£ 2,709	6	£ 1,408	..	£ ..	22	£ 6,709	10	£ 4,189	503	£ 148,724	Agriculture.						
Audit ..	162	45,112	31	£ 645	..	£ ..	..	£ ..	1	£ 68	..	£ ..	..	£ ..	..	£ ..	4	£ 919	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	166	£ 46,632	4	£ 1,043	166	£ 46,632	Audit.				
Cook Islands ..	4	1,043	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	4	£ 1,043	4	£ 1,043	4	£ 1,043	Cook Islands.				
Crown Law ..	6	3,198	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ 196	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ 196	5	£ 2,997	5	£ 2,997	5	£ 2,997	Crown Law.				
Customs ..	232	82,750	12	£ 964	3	£ 521	..	£ ..	5	£ 342	12	£ 826	..	£ ..	..	£ ..	20	£ 2,648	2	£ 36	1	£ 222	7	£ 1,262	3	£ 1,216	..	£ ..	..	£ ..	..	£ 196	9	£ 2,725	11	£ 77	303	£ 82,202	Customs.				
Defence ..	31	7,565	1	£ 19	..	£ ..	..	£ ..	1	£ 52	1	£ 68	..	£ ..	..	£ ..	2	£ 140	..	£ ..	..	£ 329	..	£ ..	..	£ 175	..	£ ..	..	£ ..	..	£ 515	3	£ 374	30	£ 3,988	30	£ 3,988	30	£ 3,988	Defence.		
Education ..	257	73,624	21	£ 487	..	£ ..	..	£ ..	6	£ 914	..	£ ..	..	£ ..	..	£ ..	6	£ 1,401	1	£ 16	2	£ 829	2	£ 483	2	£ 742	2	£ 324	..	£ ..	9	£ 2,396	3	£ 994	254	£ 75,636	254	£ 75,636	Education.				
External Affairs ..	3	711	..	£ ..	1	£ 238	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 238	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ 238	4	£ 956	4	£ 956	4	£ 956	External Affairs.		
Government Insurance ..	96	26,071	23	£ 832	..	£ ..	..	£ ..	10	£ 1,284	..	£ ..	..	£ ..	..	£ ..	10	£ 2,146	..	£ ..	1	£ 648	2	£ 546	1	£ 619	..	£ ..	..	£ ..	..	£ ..	1	£ 1,814	1	£ 332	102	£ 26,494	102	£ 26,494	Government Insurance.		
Health ..	493	93,612	26	£ 2,074	..	£ ..	1	£ 205	3	£ 404	..	£ ..	..	£ ..	..	£ ..	4	£ 2,684	..	£ ..	7	£ 1,596	1	£ 307	2	£ 407	14	£ 3,385	1	£ 64	25	£ 5,761	22	£ 3,077	282	£ 90,523	282	£ 90,523	282	£ 90,523	Health.		
Industries and Commerce, Tourist and Publicity ..	159	38,203	6	£ 139	..	£ ..	..	£ ..	3	£ 205	1	£ 68	..	£ ..	..	£ ..	4	£ 113	..	£ ..	1	£ 238	..	£ ..	..	£ ..	..	£ ..	2	£ 509	3	£ 739	1	£ 326	166	£ 37,677	166	£ 37,677	166	£ 37,677	Industries and Commerce, Tourist and Publicity.		
Internal Affairs ..	174	43,999	2	£ 265	1	£ 614	..	£ ..	1	£ 380	..	£ ..	..	£ ..	..	£ ..	5	£ 1,290	..	£ ..	6	£ 1,093	2	£ 423	1	£ 921	1	£ 218	..	£ ..	13	£ 2,567	8	£ 1,356	166	£ 41,642	166	£ 41,642	166	£ 41,642	Internal Affairs.		
Internal Affairs Relieving Staff ..	84	16,745	2	£ 29	..	£ ..	11	£ 1,930	..	£ ..	15	£ 862	..	£ ..	..	£ ..	26	£ 2,821	..	£ ..	7	£ 1,929	..	£ ..	..	£ ..	..	£ ..	1	£ 228	8	£ 1,268	18	£ 1,553	102	£ 18,299	102	£ 18,299	102	£ 18,299	Internal Affairs Relieving Staff.		
Justice and Prisons ..	513	131,684	29	£ 287	2	£ 299	..	£ ..	4	£ 397	..	£ ..	4	£ 791	..	£ ..	10	£ 1,776	1	£ 4	2	£ 689	2	£ 427	6	£ 1,534	9	£ 1,782	..	£ ..	19	£ 4,436	9	£ 2,653	534	£ 129,610	534	£ 129,610	534	£ 129,610	Justice and Prisons.		
Labour ..	96	25,210	..	£ 85	..	£ ..	..	£ ..	2	£ 445	..	£ ..	..	£ ..	..	£ ..	2	£ 531	1	£ 26	1	£ 238	..	£ ..	3	£ 886	..	£ ..	..	£ ..	4	£ 1,146	2	£ 614	91	£ 24,626	91	£ 24,626	91	£ 24,626	Labour.		
Land and Deeds ..	123	32,733	2	£ 68	..	£ ..	1	£ 344	1	£ 68	1	£ 68	..	£ ..	..	£ ..	3	£ 549	..	£ ..	1	£ 162	..	£ ..	1	£ 344	1	£ 213	..	£ ..	3	£ 729	..	£ 179	123	£ 32,563	123	£ 32,563	123	£ 32,563	Land and Deeds.		
Land and Income Tax ..	172	39,719	33	£ 605	..	£ ..	..	£ ..	3	£ 205	6	£ 410	..	£ ..	..	£ ..	9	£ 1,220	2	£ 34	2	£ 294	1	£ 238	1	£ 213	2	£ 635	..	£ ..	6	£ 1,417	3	£ 499	175	£ 39,422	175	£ 39,422	175	£ 39,422	Land and Income Tax.		
Lands and Survey ..	570	148,873	69	£ 1,179	..	£ ..	1	£ 179	7	£ 462	3	£ 205	..	£ ..	..	£ ..	11	£ 2,626	1	£ 89	1	£ 238	1	£ 271	4	£ 1,510	4	£ 920	2	£ 417	12	£ 3,448	1	£ 1,421	569	£ 147,432	569	£ 147,432	569	£ 147,432	Lands and Survey.		
Marine ..	163	47,396	3	£ 216	..	£ ..	..	£ ..	4	£ 924	..	£ ..	..	£ ..	..	£ ..	4	£ 1,141	..	£ ..	1	£ 218	1	£ 196	..	£ ..	4	£ 816	..	£ ..	6	£ 1,232	2	£ 96	161	£ 47,215	161	£ 47,215	161	£ 47,215	Marine.		
Mental Hospitals ..	1,089	204,163	235	£ 2,334	2	£ 324	..	£ ..	156	£ 18,262	6	£ 760	..	£ ..	..	£ ..	164	£ 21,683	1	£ 12	..	£ ..	4	£ 705	9	£ 1,987	132	£ 16,489	19	£ 2,650	164	£ 21,435	..	£ 162	1,089	£ 204,001	1,089	£ 204,001	1,089	£ 204,001	Mental Hospitals.		
Mines ..	49	14,610	..	£ ..	..	£ ..	..	£ ..	2	£ 136	..	£ ..	..	£ ..	..	£ ..	2	£ 136	..	£ ..	2	£ 346	..	£ ..	..	£ 216	..	£ ..	..	£ ..	5	£ 564	1	£ 428	48	£ 13,582	48	£ 13,582	48	£ 13,582	Mines.		
National Provident and Friendly Societies ..	29	6,915	2	£ 49	1	£ 68	..	£ ..	1	£ 68	..	£ ..	..	£ ..	..	£ ..	2	£ 166	..	£ ..	1	£ 162	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 162	1	£ 23	30	£ 6,939	30	£ 6,939	30	£ 6,939	National Provident and Friendly Societies.		
Native (including Native Trust) ..	80	19,983	1	£ 9	6	£ 1,376	30	£ 7,895	4	£ 273	2	£ 166	..	£ ..	..	£ ..	12	£ 9,721	..	£ ..	2	£ 688	..	£ ..	2	£ 769	2	£ 282	..	£ ..	6	£ 1,740	36	£ 7,980	114	£ 27,964	114	£ 27,964	114	£ 27,964	Native (including Native Trust).		
Native Trust ..	28	7,681	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	28	£ 7,681	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	28	£ 7,681	28	£ 7,681	..	£ ..	..	£ ..	..	£ ..	Native Trust.		
Pensions ..	101	23,293	1	£ 16	..	£ ..	..	£ ..	7	£ 478	..	£ ..	..	£ ..	..	£ ..	7	£ 495	..	£ ..	4	£ 769	..	£ ..	..	£ ..	1	£ 238	..	£ ..	5	£ 1,008	2	£ 513	102	£ 22,780	102	£ 22,780	102	£ 22,780	Pensions.		
Police ..	6	1,741	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	6	£ 1,741	6	£ 1,741	6	£ 1,741	6	£ 1,741	Police.
Prime Minister's ..	1	649	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 649	1	£ 649	1	£ 649	1	£ 649	Prime Minister's.
Printing and Stationery ..	237	56,740	121	£ 527	1	£ 169	1	£ 115	2	£ 136	..	£ ..	..	£ ..	..	£ ..	4	£ 942	..	£ ..	4	£ 948	..	£ ..	3	£ 913	1	£ 149	..	£ ..	8	£ 2,002	4	£ 1,960	233	£ 55,680	233	£ 55,680	233	£ 55,680	233	£ 55,680	Printing and Stationery.
Public Service Commissioner's ..	8	2,736	..	£ ..	1	£ 179	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 179	..	£ ..	1	£ 498	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 498	..	£ 318	8	£ 2,448	8	£ 2,448	8	£ 2,448	Public Service Commissioner's.		
Public Service Superannuation ..	8	1,752	..	£ ..	..	£ ..	..	£ ..	1	£ 68	..	£ ..	..	£ ..	..	£ ..	1	£ 68	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 68	9	£ 1,821	9	£ 1,821	9	£ 1,821	Public Service Superannuation.		
Public Trust ..	615	168,683	92	£ 1,736	2	£ 376	4	£ 1,041	11	£ 752	17	£ 1,162	..	£ ..	..	£ ..	51	£ 5,068	..	£ ..	1	£ 213	..	£ ..	2	£ 785	8	£ 1,681	2	£ 410	13	£ 3,091	21	£ 1,977	666	£ 170,666	666	£ 170,666	666	£ 170,666	Public Trust.		
Public Works ..	637	181,664	53	£ 1,133	2	£ 410	1	£ 213	5	£ 342	4	£ 337	1	£ 213	3	£ 765	16	£ 3,416	1	£ 159	3	£ 1,572	3	£ 776	5	£ 1,505	4	£ 1,039	1	£ 267	16	£ 5,320	..	£ 1,994	637	£ 179,760	637	£ 179,760	637	£ 179,760	Public Works.		
Scientific and Industrial Research ..	56	16,573	8	£ 137	3	£ 583	1	£ 162	..	£ ..	1	£ 68	..	£ ..	..	£ ..	5	£ 951	..	£ ..	..	£ ..	1	£ 238	1	£ 324	..	£ ..	..	£ ..	2	£ 562	3	£ 589	59	£ 18,492	59	£ 18,492	59	£ 18,492	Scientific and Industrial Research.		
Stamp Duties ..	71	18,215	2	£ 49	..	£ ..	1	£ 162	..	£ ..	..	£ ..	..	£ ..	..	£ ..	1	£ 211	..	£ ..	..	£ ..	..	£ ..	1	£ 222	..	£ ..	..	£ ..	1	£ 222	..	£ 10	71	£ 18,203	71	£ 18,203	71	£ 18,203	Stamp Duties.		
State Advances ..	102	23,008	14	£ 251	..	£ ..	1	£ 58	2	£ 136	6	£ 410	..	£ ..	..	£ ..	9	£ 956	..	£ ..	4	£ 521	1	£ 222	1	£ 380	..	£ ..	..	£ ..	6	£ 1,124	3	£ 168	105	£ 22,839	105	£ 22,839	105	£ 22,839	State Advances.		
State Fire Insurance ..	135	33,887	11	£ 354	..	£ ..	..	£ ..	2	£ 136	..	£																															

NOTE.—This return does not include administrative officers, Native-school teachers, and officers on loan or leave without pay. Fractions of £1 are not taken into consideration in totals.

TABLE IV.—TEMPORARY EMPLOYEES OTHER THAN WORKMEN, ETC., AS AT 1ST APRIL, 1934.

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 Instructors.	Milk Testers.	Overseers and Foremen.	Medical Officers.	Storekeepers and Storemen.	Miscellaneous.
Agriculture	6	3	..	23	11	..	..	..	70	11	2	..	..	17
Audit	..	..	4	1	..	..	..	..	..	..	..	..	..	..
Cook Islands	..	..	..	..	..	..	..	..	..	..	..	1	..	..
Crown Law	..	..	..	2	..	..	..	..	..	..	..	..	..	..
Customs	1	..	..	8	..	..	..	..	..	..	..	..	..	..
Defence	18	..	..	4	5	..	..	..	..	..	1	..	28	26
Education	1	2	12	21	15	..	..	..	..	..	..	..	..	42
External Affairs	..	..	..	1	..	..	..	..	..	..	..	1	..	2
Government Insurance	..	..	..	11	17	..	..	..	..	..	..	..	..	1
Health	10	1	2	13	3	..	..	1	6	..	..	7	..	56
Industries and Commerce, Tourist, and Publicity	4	..	1	30	9	..	..	1	3	..	..	..	..	12
Internal Affairs	13	2	1	58	7	..	..	..	1	..	..	..	..	21
Justice and Prisons	8	..	..	26	4	..	..	..	..	..	..	..	..	8
Labour	9	..	..	27	1	..	..	..	1	..	..	..	..	2
Land and Deeds	..	1	..	15	1	..	14	..	..	..	..	..	..	..
Land and Income Tax	..	1	..	5	30	..	..	..	..	..	..	..	..	..
Lands and Survey	7	7	..	68	..	3	..	..	13	..	..	..	..	7
Marine	2	..	..	7	1	..	..	..	1	..	..	..	..	2
Mental Hospitals	..	..	..	11	5	..	..	3	..	..	..	3	2	5
Mines	2	..	..	6	4	..	..	1	3	..	..	..	..	4
National Provident and Friendly Societies	..	..	..	3	13	..	..	..	..	..	..	..	..	..
Native	13	1	1	27	3	..	..	..	..	..	3	..	..	12
Pensions	11	..	..	22	20	..	..	..	..	..	..	..	..	3
Police	..	..	..	..	..	..	..	..	..	..	..	..	1	..
Printing and Stationery	..	..	..	4	..	1	..	..	..	..	..	..	..	..
Public Service Superannuation	..	..	..	..	2	..	..	..	..	..	..	..	..	..
Public Trust	28	3	..	161	4	..	..	..	2	..	..	..	..	4
Public Works	16	5	..	71	3	28	2	37	4	..	63	..	17	58
Scientific and Industrial Research.. .. .	2	..	..	4	..	..	..	..	..	..	1	..	..	51
Stamp Duties	..	..	..	8	1	..	..	..	..	..	..	..	..	..
State Advances	24	12	..	29	13	..	..	..	..	..	..	..	..	25
State Fire and Accident Insurance	4	..	..	32	18	..	..	..	..	..	..	..	..	1
State Forest	3	..	..	12	1	3	..	..	..	..	..	..	..	8
Transport	1	..	..	4	..	..	..	1	..	..	..	..	..	1
Treasury	1	1	..	9	12	..	..	..	..	..	..	..	..	..
Valuation	3	1	..	18	4	..	1	..	..	..	..	..	..	1
Totals	187	40	21	741	207	35	17	44	104	11	70	12	48	369

Approximate Cost of Paper.—Preparation, not given ; printing (770 copies), £24 10s.

By Authority: G. H. LONEY, Government Printer, Wellington.—1935.

Price 9d.]

