Security) and others showed considerable expansion (e.g., Agriculture, Health, Native, Public Works, and State Advances). In many cases it was impossible to obtain employees who were academically qualified for appointment to the permanent staff of the Public Service. Prior to the outbreak of war it was realized that a review would be necessary to consider the claims of those who were qualified for permanent appointment, and had not the war intervened this would have taken place before now. Many of the employees directly interested in this matter proceeded overseas on military service. As a policy matter it was decided that permanent appointment of temporary employees would not be considered during their absence so that no injustice would be done to those employees on military service. A difficulty has now arisen in that some of those who went overseas have now returned and are naturally anxious to know whether they are likely to be placed on the permanent staff, as under present conditions many of them would have no difficulty in obtaining permanent positions outside the Public Service. As a consequence, action is now being taken to review all cases of employees with military service overseas so that those who have the academic qualifications can be placed on the permanent staff, provided they are filling positions within the approved establishment of the Department and provided they are (or were) rendering efficient service. The claims of employees still overseas are not being overlooked. The review covers all employees who are at present overseas as well as those who may have returned to the Dominion.

Accommodation Difficulties in Wellington.—The task of administration has been impeded by lack of accommodation both office and residential for officers in Wellington. Departmental office accommodation in Wellington is now widely scattered, and this cannot lead to maximum efficiency. It is hoped that when it is possible to reduce considerably the staffs at present essential for purely war purposes a determined effort will be made to centralize all Government Departments within a reasonable area. The accommodation difficulty in Wellington, however, goes far beyond office accommodation. Officers in the secondary towns are now declining promotion if such promotion means transfer to Wellington or to one of the main cities. The knowledge that they may be without adequate housing accommodation for months and that transport costs and other living-expenses are higher at a main centre has been advanced as reasons for declining the promotion offered. Where the most suitable and efficient officers are not willing to accept positions on account of these reasons, it is not possible to obtain maximum efficiency. The same problem is also encountered in connection with the appointment of cadets and other junior officers. Accommodation is very difficult to find, and many applications are received from junior staff to return to their home towns after a short period of service in Wellington. The problem can be overcome to some extent by the establishment of a hostel for cadets in Wellington. When certain hostel accommodation is no longer required for housing Armed Forces personnel, it is hoped that something along the lines suggested will eventuate.

Staffing generally.—The difficulties besetting this Office in connection with the staffing of the Public Service arise as much from the necessity of providing personnel to meet the additional tasks imposed by war conditions and for the formation of new Departments or new branches as from the necessity of providing staff to replace employees proceeding on military service for carrying on the pre-war activities of the Department. Of necessity much of the staff has been recruited from outside the Public Service, but the framework of new Departments or branches in practically all cases has had to be provided from the existing Public Service. This has had to be done at a time when the established Departments have been hard pressed to carry on with a badly-depleted staff. The Commissioners' task in separating officers from the Departments in which they have been trained to meet what is, in the Commissioners' opinion, a greater need in another Department has not been a pleasant one. It says much for the Permanent Heads of the Service that they have almost without exception met the requirements of the Commissioner in this respect.

An indication of the difficulties can be obtained when one considers the additional staff required to carry out functions indicated below. In all cases it should be borne in mind that pre-war activities have continued with little or no diminution:—

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Agriculture Department
                                            Drive for increased primary production, Services
                                              vegetable-production, linen flax.
Air, Army, Navy
                                            Additional civilian staff required to meet extra-
                                              ordinary demands of war.
                                            Staff for Ministry of Supply, for various Control
Industries and Commerce
                                              branches—e.g., Price, Food, &c. - and for linen
                                              flax.
                                            Land-sales legislation and control.
Lands and Survey
Marine
                                            Ship-building activities.
                     . .
           . .
                                            Additional activities of internal marketing.
Marketing
                              . .
Public Works
                                            Building and various activities for war purposes.
Scientific and Industrial Research
                                            Additional research activities for war purposes.
                                            War pensions.
Social Security
National Service
                                       ... New Departments formed.
                              . .
                     . .
Rehabilitation
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Overtime.—Over the past few years considerable improvement has been effected in conditions of overtime in the Public Service. Up to the outbreak of the present war overtime was paid only for special work performed after forty-four hours per week had been worked. The minimum rate was then 1s. 6d. per hour and the maximum rate 3s. 6d. per hour. Overtime was not payable to any officer receiving £470 per annum and over. At present overtime is payable at time and a half rates of pay for all hours worked over forty hours per week, with a minimum hourly payment of 2s. 3d. per hour and a maximum of 6s. 9d. per hour. Overtime is payable to all officers up to £565 per annum.

Much overtime continues to be necessary in the various Departments. The position regarding overtime is being closely watched to prevent any abuse, but it appears that in certain Departments overtime must continue until the man-power situation is eased.