

In any ordinary business of any magnitude one of the first cares of the manager is to have placed before him at short intervals the number and cost of the staff, both permanent and temporary, its distribution according to the class of work, and the percentage cost of each particular class. In the Public Service this appears to have been disregarded. A vote was obtained for salaries, and, if it was found to be insufficient, temporary assistance could be engaged and charged to "Unauthorized."

In the table it will be found that the net increase to the staff during the financial year was 431, and the amount £25,402; of which amount £18,109 represents temporary officers made permanent, and £2,400 adjustments on the first classification by the Board of Appeal. Under the heading "Expansion of the Service," I have shown that the creation of new positions owing to expansion cost £22,179. £17,286 is thus represented by savings in other directions, thus:—

<i>Dr.</i>	£	<i>Cr.</i>	£
Increase to staff during year ..	25,402	Temporary positions made permanent ..	18,109
Balance	17,286	Adjustments by Board of Appeal ..	2,400
		Creation of new positions ..	22,179
Total	£42,688	Total	£42,688

As the item £18,109, temporary officers made permanent, reduces the vote for temporary clerical assistance, and as adjustments by the Board of Appeal are non-recurring, the total net cost for the year for expansion was therefore £4,893.

To ascertain the increased cost for 1914–15 the classification increments of all salaries, including new appointments during 1913–14, must be added—namely, £51,686—or a total, including the £4,893 above mentioned, of £56,579. There must also be added £2,543, new appointments on the 1st April, 1914. As, however, a large number of items shown are calculated on a full year's payment, and as the full year does not expire until varying dates after the 31st March, 1915, there should be deducted £3,303 as payments not required during the year, leaving a net additional sum of £55,819 to be provided for.

During the current year a considerable number of temporary employees will be made permanent under the Temporary Employees Act, but this, while adding to the vote for classified salaries, will of course reduce the vote for temporary employees. In order to enable a better analysis to be made, it is suggested that Departments should in future show clearly the cost of temporary assistance under separate headings—Professional, Clerical, and General Division. The general votes should also be divided in the estimates to show the estimated cost, as far as possible, of material and labour.

Summarizing, the state of the classified staff is as follows:—

	No.	Amount.
1st April, 1913	4,641	£874,437
1st April, 1914	5,095	£953,343
These figures do not include Native-school teachers, which are,—		
1st April, 1913	243	£25,901
1st April, 1914	241	£26,861

The average increase to salaries, excluding Native-school teachers, was £10·19, and the average salary of each classified officer £187·11.

The average increase to salaries was £7·66, and the average salary of each classified officer £135·47. The average salary of Native-school teachers was £111·46.

Post and Telegraph Department.

The state of the classified staff of the Post and Telegraph Department is as follows:—

	No.	Amount.
1st April, 1913	5,372	£708,165
1st April, 1914	5,633	£761,365