DEFENCE DEPARTMENT.

With reference to suggestion contained in paragraph 1, I might say that it was understood that a Commissioner would pay a visit of inspection, when the subject in question could be gone into in detail. It has, however, not yet been possible, apparently, for the Commissioner to make the visit.

As regards paragraph 4, it might be mentioned that the system of making appointments to the Civil staff of this Department is that laid down by the Public Service Act and Regulations.

EDUCATION DEPARTMENT.

With reference to your Circular No. 131, of the 6th January last, I have to remark that the disadvantages under which the Department has so long laboured in consequence of having its officers scattered, owing to the lack of adequate central accommodation, have not yet been removed, except in a very minor respect, and consequently the difficulties of centralizing and consolidating (as far as possible and expedient) the work of the Department still exist. The fact that the Department is still seriously understaffed increases these difficulties. For the same reason, it has not yet been possible to complete the simplification of the general records in the manner which for some years has been contemplated by the Department, and which I believe has the approval of the Commissioner.

GOVERNMENT INSURANCE DEPARTMENT.

The only matter relating to this Department calling for remarks is contained in the paragraph on page 34 of the Public Service Commissioner's report. The proposal dealing with the preparation of renewal notices therein referred to was at the time under way, and has now been

brought into complete operation.

The reference to this Department's system of records made in the report of the Committee of Record Clerks appointed by the Public Service Commissioner has also had serious consideration. A "series" system somewhat analogous to that advocated by these gentlemen has been in existence in this Department for many years past in respect of correspondence with policyholders, and the question of extending it to our general correspondence, which, of course, represents a relatively small portion of our business, has been under consideration for some time past. My prolonged absence on the Appeal Board has naturally thrown a special strain upon my senior subordinate officers, and the change has necessarily been somewhat delayed. It is, however, under attention, and will not be lost sight of.

With regard to the Mortgage Branch correspondence, a new system of recording has been adopted. It is based to a certain extent upon the "series" system, adapted to meet the special requirements of our Investment Branch. Before adoption the system was submitted to the Public

Service Commissioner, and received his approval. It is now in full working-order.

JUSTICE DEPARTMENT.

The three points referred to by the Commissioner in regard to the Department of Justice—viz., the overhauling of returns furnished to the Department, the appointment of a Deputy Registrar of Patents, and the provision of additional accommodation for the Patent Office—have all received careful consideration and attention during the year.

With regard to the returns, this matter has been receiving attention with a view of reducing the amount of the returns, but, while some alteration might be made in the form, the information

obtained is necessary.

The recommendation of the Commissioner that the staff of the Patent Office should be improved by the appointment of a Deputy Registrar from the Public Service has been carried out, and a

Deputy has been appointed.

The question of the lack of proper accommodation for the Patent Office staff and library has also received attention, and some alterations have been made which have improved the accommodation, but it will not be possible to provide adequately for this office until the new Police buildings are erected, when it is proposed that the Patent Office shall be located in the present Police-station buildings.

DEPARTMENT OF LABOUR.

In the Annual Report of the Public Service Commissioner on this Department it will be seen that there were no improvements suggested. The Commissioner was good enough to state that the Head Office staff of the Department was "well arranged both as regards convenience and for supervision." It was also added that "the general work of the Head Office is conducted in an up-to-date fashion."

In respect to the special reports relating to (a) records and (b) accounts (see pages 49 and 76), I have to say—(a.) That the records of the Department had already been kept for many years on the "series" system, and it was therefore a comparatively easy matter to carry out the Commissioner's recommendation to adopt the card-index system in lieu of the book indexes; the suggestion of the Committee has been adopted, and satisfactory results have been obtained. (b.) Re accounts: The first suggestion (as to the abolition of some 180 small "receivers," the payment of moneys into Public Account, or, where no bank exists, to the Post Office, and sending the receipts to the Head Office for inclusion in the Head Office Receivers' cash-book) is a good one, and the scheme should be instituted as soon as the Treasury Department is ready. Representations to that Department will shortly be made in regard to the matter, so as to bring about the change before the next "registration" period for factories—viz., 1st April next.