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Government services, of which about one-quarter will be charged to the Public Service under the control of the Commissioner, and about an equal amount to the Post and Telegraph Department.

The table appended shows the increase in each Department as between 1914 and 1919 as regards the salaries of permanent officers. The temporary officers whose employment was necessitated during the war need not, for practical purposes, be taken into consideration, as the great majority were employed for war purposes

and were paid out of the war vote.

From the table of salaries, showing, as it does, the average salary in 1914 as compared with that in 1919, a reasonably fair indication is given that salaries on the basis of present-day conditions are by no means excessive, and that further expenditure on that account must be contemplated. The average salary for all Departments, including the commercial departments, rose from £192 in 1914 to £230 in 1919. Generally speaking, the comparatively low average of salaries in some Departments is accounted for by the proportion of youths and girls employed; but the almost universal movement in favour of payment according to age, and the fixing of a minimum salary for men and women of twenty-one years of age, will have to be taken into account in this Dominion before long. At present the scale of salaries for youths who pass the Public Service Examination contemplates that a boy or girl joining at the age of sixteen will receive £165 at the age of twenty-one. This may be regarded as fairly reasonable, but, owing to the incidence of the war conditions and the general prosperity of the country, it is found that parents are able to keep their sons and daughters at school until a higher age than sixteen, with the result that many young men and women at the age of twenty-one receive, even under the present scale, salaries of £140 or even £120.

While there are many reasons under a system of classification against differentiating between the salaries payable to young officers on account of age, instead of length of service, according to the scale, the Commissioners see no hope, if the Public Service is to be maintained satisfactorily, of carrying on unless a specified

minimum salary is to be paid at the age of twenty-one.

So far as the Clerical Division is concerned, legislation will be required to pay a higher minimum salary than £100 at the age of twenty-one. It has, however, been decided in the case of General Division officers, such as shorthand-writers, typists, &c., in Wellington, that a minimum payment of £132 is to be made at the age of twenty-one, the difference between the scale of salary and that amount being treated as lodging-allowance. In the case of girls over eighteen and under twenty-one living away from their homes, their remuneration will be made up to £120.

Another reason for increased expenditure which will make itself manifest in the future is that preference is being given to returned soldiers, who must obviously receive a commencing salary much higher than that of a cadet, and whose output of work is not likely to be much more in quantity or better in quality than that of a cadet of two or three years' service. No one, however, will object to this; and it is some satisfaction to be able to repeat that the Public Service Commissioners were the first in the Dominion definitely to announce that preference would be given to returned soldiers for employment in positions they were capable of filling. This practice has been consistently followed since 1915. Arrangements have been made to facilitate the entry into the Clerical Division of returned soldiers who in other respects are considered likely to be suitable, without their being called upon to pass an examination of such difficulty as that required of cadets.

BALANCE-SHEETS.

The recommendations which the Commissioners have made for years, that every Department should be required to produce an annual balance-sheet in commercial form, were agreed to by Government last year, and if an intelligent view of the cost of the Public Service is to be obtained the information as to salaries should be read in conjunction with the balance-sheets, which are not yet available.

Inspection.

Frequent reference has been made to inspection of Departments during the past few years. Owing to war conditions, inspection had not been so continuous