The use of reports of this nature has been very considerably developed, and an endeavour has been made to follow the best practices in other countries. The annual reports, while forming a basis of selection for promotion, are not relied upon entirely, and it is the practice to give consideration also to the reports of inspecting officers and the recommendations of superior officers.

It is the practice in the Service that any adverse report on an officer is communicated to him in order that he may have the fullest opportunity of rebutting criticisms which have been made against him, and the annual-report form is, after completion, returned to the officer in order that he may be aware of the nature of the report upon him, and he is given the opportunity of making comments in regard thereto should he so desire.

INCREMENTS OF SALARY.

Recognition of an officer's increase in value arising from his experience is provided through a system of annual increments in accordance with the salary scales provided. The granting of such increments within a class is practically automatic, subject only to the condition that the officer's work and conduct are satisfactory, and provision is contained in the Public Service Act that the Head of a Department may withhold the increment of an officer where he considers such a course warranted.

I am of opinion, however, particularly in regard to junior officers, that the automatic provision should be discontinued, and instead that an increment should not be granted unless a special report has been furnished on the officer by his local controlling officer or the head of the Department that the granting of an increment is fully justified by the regularity of his attendance, and the careful, diligent, and efficient manner in which he is performing his duties.

An officer who is of outstanding merit and ability and of good and diligent conduct, and who meritoriously performs duties of a character not usually performed by an officer of his status, may be granted an increment in excess of that to which he would be entitled under the scale. This provision is fully availed of. Special increments are granted only after full investigation, and not until the Commissioner is satisfied that the additional increments are fully justified.

AMENDMENTS TO GENERAL REGULATIONS.

There were no amendments to the General Regulations during the year.

Leave of Absence for Educational and Training Purposes.

During the year the following officers were granted special leave of absence, in some cases to permit them to proceed abroad for the purpose of extending their knowledge and experience, and in others to enable them to pursue their studies:—

- Hunter, Dr. J. D., Assistant Medical Officer, Mental Hospitals Department, Porirua: To proceed to Scotland for post-graduate work and to sit for his Diploma of Psychological Medicine.
- Hay, Dr. R. T., Assistant Medical Officer, Mental Hospitals Department, Christchurch: To obtain experience in mental hospitals of the United Kingdom.
- Cottier, W., Assistant Entomologist, Agriculture Department, Wellington: To prepare thesis for honours degree in Science.
- Cunningham, I. J., Cadet, Agriculture Department, Wellington: To prepare thesis for honours degree in Science.
- Pownall, Miss M. M. S., Matron, Otaki Hospital, Health Department: To visit England and the Continent to further her knowledge of the treatment of tuberculosis.
- Lea, Miss L. M., Nurse Inspector, Health Department, Wellington: To take post-graduate course in nursing.
- Wise, Miss W. D. E., Ante-natal Nurse, Health Department, Auckland: To take post-graduate course in nursing.
- North, Miss A. J., District Health Nurse, Health Department, Whakatane: To take post-graduate course in nursing.
- Bramwell, Miss L. M., Nurse, Mental Hospitals Department, Porirua: To take post-graduate course in nursing.