

COST OF THE PUBLIC SERVICE.

A review of the expansion of the Public Service from the staff point of view in itself is incomplete. It is interesting to note the distribution of the net expenditure from Consolidated Fund to the various purposes for which the taxpayer is burdened, as disclosed by the following comparative table, which has been compiled by Treasury :—

—	Net Expenditure.			Rate per Head of Population, Adjusted to Comparable Basis.		
	1913-14.	1920-21.	1928-29.	1913-14.	1920-21.	1928-29.
	£	£	£	£ s. d.	£ s. d.	£ s. d.
War pensions and war-debt charges	..	6,241,507	5,023,755	..	4 19 8	3 8 10
Other debt charges	..	1,402,222	2,226,416	1 17 4	1 3 6	1 10 6
Social	2,123,815	4,876,319	6,292,930	2 16 7	3 17 11	4 6 2
Defence	538,373	581,485	1,043,622	0 14 4	0 9 3	0 14 3
Justice	400,030	537,719	544,976	0 10 8	0 8 7	0 7 6
Agriculture	171,833	604,401*	464,533	0 4 7	0 9 8	0 6 4
Roads	186,916	244,650	1,536,517	0 5 0	0 3 11	1 1 1
General administration	..	882,060	1,287,917	1 3 6	1 2 7	0 17 8
Totals	5,705,249	15,971,725	18,420,666	7 12 0	12 15 1	12 12 4

* Increase due to butter subsidy.

The figures have been adjusted to make them comparable, and it will be seen that the expenditure has increased by approximately 65 per cent. during the last decade and a half. The increase in debt charges and pensions, which are largely a legacy from the late war, accounts for nearly three-fourths of this expansion. In regard to public expenditure which may be attributed to the cost of administration and the giving-effect to Government policy, it will be observed that the greatest increase has been in connection with the extension of social services, the cost of which has increased from £2,123,815 in 1913-14 to £6,292,930 in 1928-29. The cost of administration has not increased to anything like the same extent as the expenditure under the other headings. In the fifteen years it has risen from £882,060 in 1913 to £1,287,917 for the last financial year, while on the adjusted figures it will be noted that actually there has been a decrease in the cost *per capita*, the charge for general administration *per capita* being £1 3s. 6d. in 1913-14 and 17s. 8d. in 1928-29.

It will also be noted from the table that general administration costs have not increased in proportion to the expansion of the total burden, for in 1913-14 the expenditure under this head represented 15½ per cent. of the total expenditure from Consolidated Fund, whereas in 1928-29 general administration expenses amounted to only 7¼ per cent. of the total charges. These figures bear evidence of the care and economy exercised in matters pertaining to general administration, and in any criticism of the growing burden on Consolidated Fund it should be borne in mind that this is directly related to the ever-growing demand for increased governmental services, and that any curtailment is a matter of general policy rather than a question of "tightening up the slack" in the general administration of the Public Service.

A comparative statement of the salaries and personnel of the Public Service shows that during the last decade the increase in permanent staff has been 1,428, while the increase in salaries has been £808,251. Considering the expansion of public business in recent years, the growth in staff in the Public Service proper has been kept down to a much closer degree than is generally realized.

There has undoubtedly been a considerable growth in public expenditure when such term includes expenditure by local authorities; but the inclusion of such figures in a criticism of the cost of the administration of the Public Service rather confuses the issue, as the control of such expenditure does not rest with Ministers in charge of Departments and other State officials who are responsible for the economical administration of the Public Service. The extent of the expansion of