

of officers, the filling of vacancies, the examination of candidates for appointment, inquiries involving disciplinary action, and investigations concerning details of departmental organization to ensure the efficient and economical administration of the Service as a complete whole. During the past year a considerable amount of investigatory work has been undertaken in an endeavour to explore all possible avenues of economy and to consider means of dealing with problems arising out of the depression. One of the outstanding advantages secured by the Public Service Act has been the fixing of comprehensive salary scales to fit all groups of positions, with provision for the payment of annual increments within the limit of the scale for the position. This advantage, together with the right of appeal in certain cases to an independent Board of Appeal, was a very definite step in the direction of creating a contented Public Service, and a contented service is an efficient service. These and other advantages have considerably offset the added burdens which have been placed on officers and the salary reductions which have been enforced owing to the necessities of the present times.

EFFICIENCY OF THE SERVICE.

I am pleased to again report that the general standard of efficiency throughout the Public Service has been well maintained, and staffs have with commendable zeal striven to meet the difficulties arising out of the present economic situation.

In the Department of Agriculture and the Lands and Survey Department the introduction of the small farms plan has added considerably to the normal work of the Departments, but the difficulties incidental thereto have been ably surmounted. Similarly, the operation of the sales tax legislation has added to the responsibilities of the Customs Department, and while taxing the resources of the Department to the utmost, has not affected the high standard of work one expects from a well-organized concern.

In addition, practically the whole of the work connected with the initiation and administration of the unemployment scheme has been carried out by transferring men from other Departments where a slackening off in ordinary business has made it possible to reduce the number of employees. The Post and Telegraph, Railway, and Public Works Departments have been of great assistance in this connection.

In securing efficiency, the need for ensuring economical working has not been overlooked, and every opportunity has been taken by actual inspection of Departments and otherwise to ensure that no Department has retained any surplus staff. The active co-operation of all Departments with this Office and the whole-hearted support of any suggestion leading to increased efficiency or economy is a feature which has been particularly evident during the present time of stress.

SALARIES OF PUBLIC SERVANTS.

There is a widespread impression, amounting to an obsession in some cases, that there exists in the New Zealand Public Service an army of high officials who receive a princely salary, and who are a heavy drain upon the resources of the Dominion. Actually, when the position is analysed, it is found that in the whole of the public services (excluding Judges) in New Zealand there are only twelve officers who are in receipt of salaries in excess of £1,000 per annum, while the number in receipt of salaries in excess of £725 is 117. Of the twelve officers referred to above, three are in the New Zealand Division of the Royal Navy, one is a University Professor, and eight are Permanent Heads of Departments.

Some of the salaries paid to Heads of Departments are as follow :—

	£
Secretary to the Treasury	1,142
Comptroller of Customs	1,024
Director-General of Agriculture	984
Director of Education	984
General Manager, State Fire Insurance Department	866
Under-Secretary for Lands	787
Commissioner of Taxes	787
Secretary of Labour and Commissioner of Unemployment	728