

The position regarding staff in the various Departments under the control of the Commissioner continues to be closely watched, and, wherever possible, staff is diverted from Departments showing a falling-off in activity to those showing an increase.

EFFICIENCY OF THE SERVICE.

I feel confidence in reporting that the general standard of efficiency throughout the Service has been well maintained. Copies of all reports by Audit, Treasury, or departmental inspectors are supplied to the Public Service Commissioner, and these disclose that officers generally are well equipped to carry out their various duties. Fuller provision has been made for training young men for special positions in several Departments, notably in the Agriculture Department (Veterinary Branch, to which separate reference is made elsewhere in this report), the Valuation Department, and the Lands and Survey Department. In these latter Departments graduates from Lincoln or Massey Agricultural Colleges have been appointed to assist senior men and to receive practical training to fit them for higher positions.

REDUCTION OF WORKING-HOURS.

This is a matter that has been prominently before the public for some time. The forty-hour week has already been adopted by the Public Works Department as from 1st June, 1936, for its employees engaged on construction work. The application of this principle to other branches of the Public Service presents some difficulties, mainly in the Mental Hospitals Department, Health Department, Prisons Department, and Marine Department (lightkeepers). The reduction of working-hours would mean that additional staff would have to be provided. Most of the employees of these Departments are furnished with board and lodgings (or houses) at a nominal charge. The engagement of additional staff would result in a shortage of accommodation, which could only be met by a considerable increase in the building programme of the Departments mentioned. In this connection, Messrs. W. H. Ellwood (Head Attendant, Mental Hospitals Department, Christchurch) and F. W. Millar (General Secretary, New Zealand Public Service Association) are at present engaged in preparing a report as to the practicability of reducing the hours of employees in mental hospitals.

PUBLIC SERVICE SUPERANNUATION FUND.

The unsatisfactory state of the Public Service Superannuation Fund has been referred to in previous reports. Although Government has assisted the three funds (Public Service, Education, and Railways) by an annual allocation of £200,000 over the past two years, I can only reiterate what has been previously stated—*i.e.*, that a sound pension scheme is essential in any well-ordered service. I am of the opinion that as soon as the press of more urgent legislation is passed, action should be taken to place the fund on a proper basis.

It is now generally admitted that certain provisions of the existing scheme are too generous—*e.g.*, calculation of pension on average salary over last three years of service, options as regards early retirements, &c. I do feel, however, that should amending legislation be introduced some provision should be made whereby an officer can make better provision for his widow in the event of his death. Under the present scheme an officer may on retirement be entitled to a pension of, say, £500 per annum; should he die, however, his widow would be entitled to only £31 per annum. It is of course realized that in any scheme of this nature if better provision is to be made to the widow it will be necessary for the officer to accept a lower retiring-allowance than would otherwise be due.