

PUBLIC DEBT EXTINCTION.

The sum paid out of the Consolidated Fund towards the extinction of our loans amounted to £149,343 for the year. For the year previous a sum of £144,885 was similarly paid to the Superintendent of the Advances Office, and for the two years during which the Public Debt Extinction Act has been in operation a total sum of £300,936 (including interest) has been invested by the Superintendent in loans to settlers, workers, or local authorities in accordance with the provisions of the Act.

Particulars of these investments will be found in the printed balance-sheet and report of the Superintendent of the State Advances Office.

CLOSING ACCOUNTS.

It is intended to close the Maori Land Settlement Account, which was practically superseded by the Native Land Settlement Account established by the Native Land Act, 1909, and honourable members will be asked to authorize the absorption of the old account by the Native Land Settlement Account, which now includes all revenue and expenditure in connection with Native-land settlement.

A proposal will also be submitted to amalgamate the Loans to Local Bodies Account, still kept in the Treasury, with that of the Loans to Local Authorities Branch of the State Advances Office, which office deals with all Government loans to local authorities.

PUBLIC SERVICE REFORM.

The Commissioner and Assistant Commissioners appointed under the Public Service Act, 1912, commenced duty at the beginning of the year, and have since been engaged in investigating the condition of the Public Service.

One of the first duties of the Commissioner was to classify the Service, and it is hoped that the classification will be ready for publication at an early date.

As a result of the work already done by the Commissioners, it is evident that considerable economies can be effected in many Departments, while at the same time efficiency can be increased. A preliminary report by the Commissioner will be presented to Parliament in due course.

PUBLIC SERVICE SUPERANNUATION FUND.

The income during the year ended 31st December, 1912, amounted to £146,990, including £23,000 annual subsidy from the Government. The amount contributed by members of the fund during the year was £107,409, the balance of the income being made up of interest, £16,258, and fines, £323. The total outgo for the year was £65,169. This includes allowances to members and to widows and children of deceased members, £50,781, as against £44,173 for the previous year; contributions refunded, £10,752; compensation, £2,493; and expenses, £1,144. The total value of the fund at the end of the year was £423,556, an increase of £81,820 on the total at the close of the year 1911. The number of contributors at the beginning of the year was 9,140, and 1,471 new contributors have since joined. The number of officers who ceased to contribute during the year by reason of having left the Service, retired on pension, or died, was 584, leaving a total of 10,027 effective members of the fund at the end of the year. There were 385 members in receipt of retiring-allowances by reason of age or length of service, and 104 by reason of medical unfitness, or of injuries received whilst on duty. The number of widows and children on the fund was 104 and 90 respectively. An amendment of the law under which the fund is administered was passed during last session, abolishing the provision for reduction or postponement of allowances to widows and children in cases where compensation is paid under the Workers' Compensation Act for the death of a contributor by accident. The new law came into operation from the date of its passage. At the same time parliamentary sanction was given to an increase to the annual subsidy from £23,000 to £48,000, as recommended by the Government Actuary in his report on the fund for the triennium ended 31st December, 1910. The first increased subsidy of £48,000 was paid over in accordance with the Act in January, 1913, after the close of the year's accounts in December.