

attention. Government immediately issued a circular instructing Departments that no proposals for the expansion of the Service should be made unless the circumstances were altogether extraordinary. In July of last year it was pointed out by the Commissioners that requests for the creation of new positions had not abated.

27. It may be necessary here to correct an impression which is generally held that the Commissioners are in some way responsible for the administration of Departments, and have the power to refuse appointments of officers for new purposes. While the power of refusal to appoint may be held to exist, it is obvious that it cannot be exercised in connection with the legitimate expansion of Departments. If, for example, the Minister desires to create a new Public Works district, to appoint Inspectors to carry out the provisions of the Footwear Act, to arrange for the inspection of ships' lifting-tackle, to conduct special experiments on experimental farms, to provide a special office to deal with returned soldiers, and so on, the Commissioners must supply the necessary officers. When a proposal for the expansion of the kind is made by Permanent Heads the matter is, when considered necessary, referred to the Minister in charge of the Department, and at the present juncture Ministers have at times decided that action is to be deferred until after the war.

28. From the careful analysis of the expansion of the Service which is published in the reports of the Public Service Commissioner from year to year it is apparent that normal expansion of the Public Service other than the Post and Telegraph Department involves the creation of new positions, excluding those in purely trading Departments, at the rate of about £35,000 a year. Some of these appointments are necessitated by the increased volume of such classes of business as are being performed, but in many cases new positions are the result of new legislation, or the decision of the Minister to grant greater facilities to the public. It is not necessary to refer to specific cases here, as they will be found in detail in Table IV.

29. The matter of expansion has been dealt with so decidedly by Government during the last six months that few proposals are being made at the present time, but there is an apparent tendency on the part of some Departments to chafe at restrictions on the introduction of new services, which as a rule return no direct revenue.

30. The amount of travelling to be performed by officers is a matter over which the Commissioners have no control, but the financial result of the operations of the past few years would make it appear that it should be the duty of some central authority to oversee such expenditure as a whole, instead of leaving it to the individual Departments to expend such total amounts as they think fit. On examining the estimates for some years past it was found that travelling-expenses had been increasing at the rate of approximately £12,000 per annum, and that for 1915-16 the vote was £17,000 higher than 1914-15. These figures are exclusive of travelling-expenses paid out of War Expenses vote.

31. After making such inquiry as was possible the Commissioners had no hesitation in advising Government that they were of opinion that there was a great deal of unnecessary travelling, and in some cases an extravagant method of doing it, and it was suggested that the total vote might easily be reduced by a large amount.

32. The amalgamation of Departments suggested in the Second Report of the Commissioners was again urged, and on further consideration the amalgamation of the State Fire Department with the Government Insurance was proposed. Considerable economy and increased efficiency in administration should result when it is possible to carry out the amalgamations. So far Government has only been able to arrange for the amalgamation of the Marine and Machinery Departments, and to hand over the Cook Islands Department to the Justice Department. As the Ministers concerned are agreeable, the amalgamation of the Native and Justice Departments will take place immediately on the retirement of the present Permanent Head of the Native Department in June next.

33. As an indication of the result to be expected from judicious amalgamation of Departments, it is worthy of note that the amalgamation of the Machinery Department (a small one, consisting, when the Commissioners assumed office, of twenty-two Inspectors, one Draughtsman, and fourteen clerks) with the Marine Department has resulted in an annual saving of £1,200 in Head Office expenses alone.