

It is probably unfair to expect officers trained in some Departments of the Public Service to have a keen sense of business methods. It might more fairly be assumed that the system under which those particular Departments have grown up was such as to extinguish business capacity altogether. That this is not confined to the New Zealand Public Service, and is an inherent defect in a system in which there is not a Commission which can assume to some extent the functions akin to those of the general manager of a large business, is well known. The ill-founded belief that it is impossible to manage a Government Department in a method approaching to that of a business is another factor.

The slow and ponderous movements of some Departments, and the seeming paralysis of others in times of emergency, are the result of causes which go far back, and which have been difficult to realize under a system—often the result of legislation—which has overloaded Ministers with details, many of which require not only the personal care of the Minister and the Permanent Head of the Department, but the attention of the Governor in Council.

In all new countries, when the population is limited, affairs which now appear to be trifling assume considerable importance. The Governor, for example, begins his rule by taking a personal part in such minor details of the Public Service as would at the present day fall to the duty of a subordinate controlling officer. Under the same conditions, the Governor in Council is a body to which is referred and which passes Orders in affairs which appear to us now of little moment; while legislation generally concerns itself with official procedure in detail.

It is easy to imagine how the immediate control of individuals of the Public Service is gradually delegated to others; and, owing to the tendency to lean on written precedent, how functions precisely provided for by Act or dealt with by Order in Council are likely to be so continued, notwithstanding that the reason for the provision by Act or Order in Council has long passed away. As an example of the machinery required at present for the appointment of a comparatively unimportant functionary, the case of a Ranger under an acclimatization society may be instanced as requiring the attention of the Permanent Head of the Department concerned, the recommendation of the Minister, and the Warrant of the Governor.

The highest efficiency can more rapidly be attained by improvement from above than from below; and in order to put matters on a business footing I would recommend as a preliminary that steps be taken to have existing Acts of Parliament examined with a view to eliminating such provisions in regard to procedure as may be at the present time considered to be mere formalities which could be avoided altogether or discharged in the Department. As an illustration of the burden placed upon Ministers, I found that recently a Minister had to sign, at one time, some two hundred documents authorizing the licensing-out of boys from the industrial schools—a business which might very well devolve on some special officer of the Education Department.

If efficiency in the conduct of business is to be measured by the facility with which it can be conducted, as I believe it should be, such facility can obviously be most readily attained by limiting the number of processes which at present many simple transactions have to go through.

A hindrance to economy and efficiency is the avoidance by many Departments of the primary business principle of presenting a balance-sheet in commercial form. There is, I believe, no better check on needless expenditure than to compel Departments to show their exact position. At the present time not all the commercial Departments show a proper balance-sheet: a mere statement of receipts and expenditure is far from sufficient. Departments which are revenue-collecting only should show clearly the percentage cost of the collection of revenue under its different heads as far as practicable, and Departments which describe themselves as spending Departments should show in far more detail than at present the way in which the money voted by Parliament is spent. Spending Departments which control quasi-commercial branches—as, for example, the Department of Agriculture—should show in a commercial form the balance-sheet of every experimental farm, with proper debits for the interest on the value of the property and plant; while expenditure for the destruction of rabbits, and the like, should be clearly apportioned to show the cost of supervision, office charges, labour, and material.