

undertaking is, when all is said and done, subservient only to its banking account. A Government Department, however, its methods, its officers, and its activities are open to public criticism, not always of the most encouraging nature, in Parliament, on political platforms, and in the columns of the Press, and may therefore be said to be subject to influences over which it has no control. This criticism is not confined to the ordinary Departments of State, but is launched at Departments which are conducted more closely on business lines, as, for instance, Government Insurance, State Fire Insurance, Public Trust, Mines (State coal depots).

It is hoped that by the end of the present financial year the greater portion, if not the whole, of Departments will be able to produce complete sets of commercial accounts for presentation to Parliament. Copies of these accounts will be submitted to this Office, and any items therein which appear to warrant special consideration will be carefully investigated.

The following extract from the report of an English Commission in this connection is interesting :—

The idea, we believe, has obtained some currency that the work of the Civil Service is not always conducted in a "businesslike" manner, and that the application of "business methods" to the conduct of the public administration is both practicable and necessary. Indeed, it is often assumed that when "business methods" are not applied the reason is to be found in official ignorance, incapacity, apathy, or prejudice.

In dealing with the organization of the Civil Service it is desirable to inquire into, and measure the value of, this criticism, and to mention the points on which the conduct of public administration differs and must continue to differ from the conduct of a private business.

A private business is usually conducted for profit. Profit is its object, and failure or success in earning a profit is not only a sure test of the failure or success of its methods, but an indispensable condition of its continued existence.

There are half a dozen Government Departments to which the commercial criteria of the successful conduct of business transactions may to some extent be applied; but as a general rule the objects for which public Departments are maintained are wholly different from those of private enterprise. Some advantage to the community as a whole other than pecuniary profit is the object to which departmental administration is directed. That advantage cannot be expressed in a balance-sheet; and as the Departments are established in obedience to law or public opinion and to meet the necessities of social conditions, they must be administered whether the result be a money loss or gain.

Much of what is commonly described as "red tape" is due to the exigencies of parliamentary government; much of the delay and expense of public Departments should in truth be regarded as part of the price paid for the advantages of public discussion and criticism of public affairs.

While, therefore, it is commonly contended that public Departments would work more quickly, easily, and economically if they were "run on business lines," it is only right to remember that the conditions under which public officials have to work make the complete adoption of such methods impossible, and that if a mercantile firm or company were compelled to work subject to similar conditions it would inevitably be forced to adopt a slower and more guarded procedure.

Public opinion, with the object of precluding the possibility of favouritism, requires Government to have regard to considerations in the recruitment of its officers which private firms may disregard, and the Government is much less free than private firms are to replace less efficient by more efficient servants, or to reduce its establishments when its activities shrink in a given direction.

To sum up, the administration of Government differs, and must necessarily differ, from the activities of the business world, both in the objects to which it is directed, in the criteria of its success, in the necessary conditions under which it is conducted, and in the choice of the instruments which it employs. Any criticism which ignores these vital and necessary points of difference is unfair.

We do not contend that in some of its activities the Civil Service might not and ought not to become "more businesslike," but the directions in which such an improvement can and ought to be pursued are not always realized by hostile critics.

THE CIVIL SERVICE IN RELATION TO THE DUTIES OF CITIZENSHIP.

The various organizations of State employees have from time to time requested that their members should be permitted to take an active part in politics, and also have the free right to hold the office of Mayor or Chairman of the Council or Board of any local authority, &c., or Board of Education. The Public Service Regulations in this connection read as follows :—

27. No officer shall accept or continue to hold the office of Mayor, President, or Chairman of the Council or Board of any local authority or Board of Education: Provided that if an officer holds or is appointed to or elected to any office not forbidden by this regulation, and the Commissioner is of opinion that the duties of such office interfere with the due and proper discharge of his duty as an officer of the Public Service, the Commissioner may call on him to resign such outside office.

32. In order that officers may be enabled to render loyal and efficient service to Government, they must not take any active part in political affairs otherwise than by recording their votes at elections.