

16. It will be seen that the expenditure in respect of social services has grown from £2,123,815 in 1913-14 to £6,415,416 in 1930-31, and that taxation per head of mean population allocated to social services has increased from £2 16s. 6d. per head in 1913-14 to £4 5s. 8d. per head in 1930-31.

17. It is obvious from these figures that social services must suffer drastic curtailment. The increase in cost is further exemplified in the following figures, showing the ratio between national income and expenditure on social services in 1913-14 and 1930-31 :—

	National Income.	Expenditure on Social Services.	Percentage.
	£	£	
1913-14	84,000,000	2,123,815	2·528
1930-31	120,000,000	6,415,416	5·346
1930-31 (including war pensions) ..	..	7,660,915	6·384

18. The growth of expenditure on social services is, therefore, out of all proportion to the growth of the national income.

19. We have stated in some detail where economies can be effected, and many of our recommendations, if adopted, should be communicated to the Departments at the earliest possible date, so that economies may quickly become effective. We would state, however, that the details given in this report are not always exhaustive. Generally speaking, our recommendations are for the immediate economies which, in our judgment, should be effected in the various Departments.

BUDGETARY CONTROL.

20. In examining the appropriations we have been impressed by the extent to which Parliament has been asked in recent years to make provision for assistance to substantially the same purpose or the same institution through several channels—*e.g.*, subsidies and grants to the same institutions and public bodies are frequently found spread over several votes. This is sometimes not apparent in the estimates, and, indeed, a careful study of accounts and reports is necessary in some cases before the full extent of Government assistance is revealed. This is a serious weakness and should be remedied.

21. We pointed out in our interim report that a more rigid control of public expenditure is necessary, and our later investigations have confirmed this view. The ramifications of State enterprise cannot be realized unless close examination of State Departments is undertaken. As a result of such examination we say unhesitatingly that the control which has been exercised in the past has not been as effective as it should have been.

GENERAL COMMENTS.

22. Before proceeding to review the expenditure provided under annual appropriations, we refer to several matters of general application that have come under our notice. Some of them may not result in immediate, tangible economies, but may lead to more effective administration, which in the long-run spells economy, and we accordingly put forward these comments in the hope that some present defects in the administration of the Public Service may be remedied.

ADMINISTRATIVE POSITIONS IN THE PUBLIC SERVICE.

23. We have in several instances recommended the appointment of capable administrative officers, and have considered carefully the general question of the appointment of technical and specialist officers to administrative positions.

24. We are inclined to the view that technical and professional men as a rule, do not make the best administrators, and in this view we are supported by the opinions of authorities overseas. It would, however, be unfair to lay down any hard-and-fast rule, as each case must depend upon the particular circumstances and must be dealt with on its merits.

25. Administrative capacity is not a special attribute of any particular class. If specialist or professional officers endowed with those qualities essential in a good administrator, such as sound judgment, breadth of vision, and powers of initiative, are available to fill administrative positions, their technical or professional knowledge is doubtless an advantage. There seems to be a danger, however, that with the specialist or professional officer, his own particular speciality or profession may obtrude, thus disturbing the balance and, may be, eclipsing other equally necessary and important phases of departmental activity.

26. The question of the relation between the executive or administrative and the technical or specialist staffs of Departments in the English Civil Service, and the respective claims for appointment to administrative positions, has been the subject of investigations by various Commissions and Committees. We do not propose to quote from the reports of those Commissions and Committees, but it is sufficient to say that the consensus of opinion is that high administrative positions should be filled by officers who have administrative rather than specialist experience.

27. An administrative position frequently involves the balancing of non-technical against technical considerations or the co-ordination of technical and non-technical points of view, and an absence of bias is more likely to be found in a non-professional administrator.