H.—14.

In this connection the following extracts from "Shadows and Realities of Government," by F. A. Bland, M.A., LL.B., are of interest:—

"But general charges of overmanning and overpayment are easier to make than to substantiate (as several Royal Commissions have discovered), and critics usually overlook the fact that modern legislative programmes require staffs to administer them. There is no more arresting feature of modern society than the growth and ramification of governmental activities. The traditional functions of the maintenance of external security and internal order and of the administration of justice are still of paramount importance, particularly in older countries. But the supremacy of these constituent (or negative) functions is being challenged by new requirements arising out of the social, intellectual, artistic, and economic conditions of modern times. The urgency of providing educational facilities, the safeguarding of public health, the care of the sick, infirm, and insane, the establishment and direction of public-utility schemes, the provision and maintenance of transport and communication, the fostering and development of economic resources, the regulation of commerce and industry, the constant oversight of the intensified struggle between capital and labour make far-reaching and often novel demands upon Governments. It ought to be obvious that the discharge of these ministrant (or positive) functions requires an immense army of officials of all grades. Yet much of the resentment which manifests itself in charges of ineptitude against the officials arises from a feeling of mortification at the incursion of the State into many of these domains.

"The problem of governmental administration, therefore, presents itself differently to different critics. To one it is the question of whether the particular functions should be discharged by the State at all. To another, smarting under the imposition of super taxes and increased local rates, it is questionable whether the service is justified by the cost of its performance. To a third, the problem centres round the nature and adequacy of

the administrative machinery. . . . "

Again, the same author, in his book "Planning the New State," writes as follows:—

"Merely to quote the figures of public expenditure and to point to the wide ramifications of Government Departments is arresting, but what is really significant is the changed political philosophy of which the expenditure is merely an expression. How far this new philosophy challenges the fundamental beliefs of the nineteenth century and how far it would have been either possible or desirable to deny or postpone the demands of the masses, who had been educated to expect improved social and economic conditions, we need not stop to inquire. It is interesting, however, to recall one of Edmund Burke's vigorous utterances when he adjured Parliament to resist the idea that it was within the competence of the Government, as a Government, to supply the poor with those things that it had pleased Providence to withdraw from them. However convincing this philosophy might have been at the end of the eighteenth century, at the end of the nineteenth century it had been very generally rejected, and from the beginning of the twentieth century Governments have been increasingly doing what Burke had urged them not to do. And this meant intervention, first in one department of life and then in another, all necessitating expanding expenditures. Not only education and public health, in all their features, but housing, employment, the regulation of industry and wage rates, matters which had received only passing attention in the nineteenth century, began to absorb in ever-increasing degree the attention of Governments. . . . But the protest against such expenditures lacks organized leadership. Rather do we find that expenditure upon social services is being justified on the ground that it increases the productivity of the community and keeps both the national income and the public revenue more buoyant."

In many Departments the financial depression brought in its wake new problems, together with complexity and increased volume of work. By way of illustration the following instances are cited:—

Work arising out of the Government's special finance legislation—e.g., sales tax, variation of pensions, reduction in interest, conversion of loans, mortgage legislation, &c.

Administration of the Unemployment Fund.

Native-land development.

Increased activity in mining.

The position in the various Departments under the control of the Public Service Commissioner has been closely watched, and as necessity arose staff has been diverted from Departments showing a falling-off in activity to those showing an increase. During the years 1931 and 1932 every endeavour was made by this method to carry on without replacing officers resigning or retiring. It was, of course, realized that in the interests of efficiency, and to provide the necessary material for training, this