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Public Administration



*The Journal of the
Institute of Public Administration*

Vol. IX.

1931.

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The Method of Social Legislation

growth of administrative activity. And, although the stream of orders and regulations began first to flow from a body—the Poor Law Board—which made no financial contribution to the cost of the services which it supervised, it will hardly be contested that the later swelling of the stream depended largely on the development of “grants-in-aid”—in the broad sense of contributions paid by the Exchequer in aid of services whose detailed administration was entrusted to local bodies. The State, paying in part the piper, claimed a say in calling the tune. Indeed, it could hardly avoid doing this; for money provided by Parliament was voted for specified purposes and subject to conditions, and it was indispensable both to see that these conditions were observed, and to secure equality of treatment, according to prescribed principles, between area and area. Nor could this long remain simply a question of equal treatment of one area with another; for as soon as money was paid out by the State for the benefit of individuals, as under the Education Acts, or on-day under various forms of social insurance and provision, it became essential to ensure equal treatment between individual and individual. Thus, the more the system of grants-in-aid was extended, the more the stream of orders and regulations was swelled.

Apart from this, the growth of legislative intervention in industry made uniformity of enforcement a more and more important matter. The earlier Acts relating to factories and mines were very laxly administered; but even if they had been fully put in force their prescriptions were relatively few and simple, and did not, as a rule, greatly affect the employer in his conduct of industry. But, as legislative intervention became more stringent and far-reaching, it came to matter more to secure uniformity of enforcement; for, if the law were enforced against Mr. A. and not against his competitor, Mr. B., was there not manifest unfairness? Moreover, the more stringently a law is to be enforced, the greater becomes the need to adapt it to all the special circumstances of each case. A few general provisions relating to factories and workshops generally may do well enough for a beginning; but the modern factory code has to provide separately for each type of factory or workshop, and for all the various incidents that may arise in establishments of each type.

It is, however, manifestly impossible to do all this directly by legislation. Modern Acts of Parliament are, indeed, often very long, and swollen out by elaborate schedules which lay down conditions for their working. But the longest Acts very often give rise to still longer orders and regulations, which proceed from the Government departments entrusted with their administration. Anyone who becomes a subscriber to the published series of Statutory Rules and Orders learns a good deal in the first month about the complexity of

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modern methods of administration. And, even so, he receives only a fraction of the snowstorm of circulars that falls out of Whitehall upon the lesser administrators of the modern State system.

Even if it were possible, it would be clearly undesirable further to enlarge the verbiage of Acts of Parliament, by causing them to embody directly the rules and regulations which are at present "made by the Minister" after an Act has become law. This would not only make almost impossible the getting of the required Acts through a House of Commons grossly overburdened already, but also give to the regulations themselves a most undesirable amount of inflexibility; for Parliament would be far too busy making them to spare time for their amendment if it made them wrong. There is, indeed, a great deal to be said for the view that we put too much detail into our Acts of Parliament now, and that Parliament would be wiser to content itself with prescribing by law only the general principles, and to leave the details to be filled in by some less cumbersome and time-absorbing method. We have no regular analogy in this country—save under a few very special Acts, such as the Emergency Powers Act—to the presidential decree of other countries. But often, when Parliament has fallen sadly behind its programme of work, and measures of vital importance are held up purely for lack of time, one is sorely tempted to wish that we had, in this country, some method of making law less difficult to set in motion and admitting of easier correction than the orthodox procedure of the Houses of Parliament.

Take as an instance of our present difficulties the parliamentary history of the unemployment insurance system. How much valuable parliamentary time has been absorbed of late years in tinkering with that troublesome measure, which no party proposes to rescind, but all wish to bend a little this way or that! I think we have tried to put far too much detail into the Unemployment Insurance Acts—far too much, or far too little. We have tried to determine strictly by Act of Parliament who has, and who has not, an individual claim to benefit; and we have tried to do this by means of a uniform measure which ignores all differences between one industry or class of workers and another. The result is inevitably unsatisfactory. It gives the Civil Service a rigid set of rules to administer, without so framing those rules as to meet the difficulties of each particular class of case. It is clearly out of the question, on grounds of both desirability and practicability, to amplify the Acts so as to include the variants called for by each separate industry. It would, therefore, in my judgment, be far better to put less into the Act, and to leave in the hands of some body other than Parliament a fairly wide discretion to frame regulations dealing with particular classes of insured workers; either

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by industries, when that seemed best, or by types of unemployment, such as short time, or seasonal or casual work.

But, as soon as this is suggested, an obvious difficulty arises. In whose hands is this power, at present either wielded directly by Parliament or not wielded at all, to be placed? It is out of the question to entrust it to the Minister and his advisers of the Civil Service; for the common cry is that they have too much power already. Certainly neither Parliament itself, nor that section of public opinion which is most vocal, would tolerate any proposal to transfer more of the legislative power into the hands of the Civil Service. Nor, I presume, would civil servants themselves desire it; for it would expose them to additional unpopularity, and make them in effect arbiters of public policy in an obviously undesirable degree. The power might, indeed, be nominally that of the Minister, and the responsibility that of the Cabinet. But both Ministers and Cabinets have too much on hand already to be capable of taking on more; and, rightly, public opinion would regard any step of the kind proposed as a further stage towards government by the permanent officials.

What then are we to suggest? Suggestions, in order to be useful, must be particular, and not general. For there is evidently no one body to which could be entrusted the task of filling out the details of all the various measures enacted by Parliament for the regulation of social and industrial conditions. At all events, let us stick, for the moment, to the particular case. I should like to see the Unemployment Insurance Acts themselves much less detailed and more flexible, and the power of making regulations under them entrusted, as it is in Germany, to some sort of Statutory Commission set up under the authority of Parliament. This Commission would doubtless be nominated by the Minister of Labour for a period of years; and its orders and regulations might be made operative only with his sanction, as are the orders of a Trade Board to-day. But the actual legislative process, within the general framework constructed by Parliament, would then become a matter, neither for Parliament itself nor for a Civil Service department, but for a representative commission analogous to a Trade Board, but exercising power, within its reference, over a much wider field.

It could be further laid down, if it were thought desirable, that all regulations of importance should, in addition to receiving the approval of the appropriate Minister, be laid on the table of the House of Commons, and become operative only if no resolution hostile to them were carried by the House. This would mean in practice that on most occasions the drafts would go through *sub silentio*, but that it would be possible at any time to challenge a debate in Parliament if an important question of principle arose. The power to make

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regulations would, of course, be confined within the limits laid down in the Act of Parliament itself, and any regulations made in excess of these powers would be *ultra vires* and unenforceable—a matter upon which the ordinary Courts would preserve an undiminished power to pronounce. But, within the general prescriptions of the Act, regulation-making—which is, let us agree, a subordinate kind of legislation—would become the function of a special body, constituted for that purpose and for general supervision of the administration of the Act.

This proposal has, I know, its difficulties. It makes the Minister the spokesman in the House of Commons of a policy over which he has a right of veto, but which he does not positively originate or control. It makes the actual Civil Servants who have to administer the Act take their orders partly from the Minister and partly from the Board or Commission, or rather wholly from a Minister acting in part as the mouthpiece of the Board. But neither of these difficulties seems to me to be, in practice, very serious. The first is not serious as long as the Minister possesses the right of veto, nor the second as long as the regulations of the Board reach the civil servant transmuted into the orders approved by the Minister. Similar conditions have applied, and have worked quite well, in more than one field.

Of course, a great deal depends on the amount of moral authority behind the Statutory Commission. If this were simply a board of ordinary civil servants, as much objection would be taken to its possession of regulation-making power as to the exercise of the same power directly by a department. The change would be hardly more than of name. It would be indispensable, therefore, to equip the Board with some degree of representative authority external to the department, in order that its recommendations and orders might carry sufficient weight.

In the particular case of unemployment insurance, this would clearly involve a Commission broadly representative of the trade unions and employers' associations chiefly concerned with the working of the system. The representatives of these interests might be chosen in any of a number of ways; and to them might be added persons chosen by the Minister to represent the public interest—a leading accountant and an economist, maybe, among them. But these are details into which it is unnecessary to go at the present stage. The general nature of the proposal is plain enough not to admit of doubt.

What would be its advantages? Five seem to me to be of outstanding importance. First, it would be possible to make the system far more flexible, to adapt it more exactly to different groups of cases, and to prevent abuses from growing up within it owing to the

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attempt to apply a common rule to many widely varying conditions. Secondly, it would be possible to rectify mistakes, and to adapt the system to changing needs and circumstances, without undue expenditure of valuable parliamentary time. Not nearly so many amending Acts would be needed as have been needed in recent years. Thirdly, the representatives of employers and employed, who have now no responsibility for the fair or efficient working of the system, would have a responsibility, and would be enlisted to help in making it work with the minimum of friction or abuse. Fourthly, it would be possible to consider desirable amendments less in an atmosphere of party controversy. And fifthly the permanent officials would be relieved of an unpleasant and unpopular responsibility imposed upon them by the inadequacies of the existing statutes.

As against these very great advantages I can see no really serious disadvantages of any kind. Doubtless, those who wish to make party capital out of the unemployment insurance scheme, on either side, would be baulked of many of their opportunities. But is that a disadvantage? Doubtless, Parliament would have handed over to a subordinate body what is virtually a part of the law-making power. But is that a disadvantage for a Parliament which has so many laws to make that it is in increasing danger of making none of them well? It is a familiar criticism of some heads of great enterprises that they do not know when to delegate authority, and attempt to keep far too much in their own hands. The same may be true of a Parliament, which, as its work increases, must find means of getting some of the subordinate functions off its hands, in order to concentrate its attention on those which cannot be delegated.

I have taken this particular instance of the Unemployment Insurance Acts because it seems to offer an excellent chance for an experiment, that might be acceptable to many people who would reject out of hand any proposal of a more ambitious sort. Everyone admits that the unemployment insurance scheme has got into a mess, from which it ought to be rescued. I venture to suggest that the trouble arises largely from both legislating for, and seeking to administer, the scheme in a wrong and inappropriate way—from attempting to frame an Act of Parliament covering all the cases with a series of inflexible general rules, and from placing outside all share in administering the Act the classes of persons on whose behaviour and attitude towards it its success or failure mainly depends.

We may now return from the particular to more general considerations. Such a Statutory Commission as I have proposed for unemployment insurance differs *toto caelo* from such Advisory Committees as form part of the regular furniture of most Government departments. These Advisory Committees are generally well thought

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regulations by the civil servants who have to deal with them nor by the unfortunate persons who spend their time sitting upon them. These are exceptions; but they are generally failures, or at least not which more than window-dressing. The reason is, I think, fairly clear. These Advisory Committees have no positive work to do.

Their function is purely critical, and not constructive. The civil servant, who has the job to do, does not usually welcome their interference with his doing of it. Their meetings are too intermittent, and their attention too perfunctory, for them to get any grasp of the work on its administrative side. They are, moreover, often consulted only when it suits the Minister and his advisers within the department to consult them, and shoved aside, or left in the dark, whenever it does not suit. Even so, there are good and useful Advisory Committees, especially those which deal with scientific matters and have a strictly limited reference which prevents them from dissipating their energies. But most Advisory Committees—even most Advisory Councils—with a wide or undefined reference are futile. At most, they provide for occasional meetings between leading civil servants and persons outside the service whom it is useful for them to meet.

The Statutory Commission, even if its decisions need ratification by the Minister before they can become operative, stands on quite a different footing, because it has a definite job to do—a definite task of administration placed in its hands. It demands, of course, correspondingly more from its members; but it also gets more, because its members feel their giving to be more worth while. If we are serious in wishing to enlist the help of outside bodies in the work of government and administration, they are likely to get and give far more by being represented on Statutory Commissions than through any number of Advisory Committees or Councils with far wider and higher-sounding terms of reference.

All this, however, deals with only one aspect of the problem, albeit considerably the most important. In any process of government under statute, it is necessary to consider first the drafting of the statute, secondly its passing into law, and thirdly its administration. If we are to get good laws, that will work well, it is of vital importance that full attention shall be given to the first of these stages. As Parliament will certainly be very short of time, and is in any case neither an expert body nor one whose atmosphere conduces to good draftsmanship, it is essential to get a draft statute into the best possible shape before ever it is introduced into Parliament. Now, drafting is at present mainly a departmental matter, subject to the endorsement by the Cabinet of the drafts prepared in the departments. At present, it is very common for a Bill to receive its first reading in the House before anyone knows what it is going to contain. It is then

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sprung upon Parliament and the public, as a measure, of course, before there has been any opportunity at all for public discussion of its merits.

Of course, this does not always happen. Mr. Neville Chamberlain, for example, circulated a memorandum containing the main outlines of his Local Government Bill and invited full discussion upon its proposals, long before the Bill itself was introduced, or the Government committed definitely to it. And often a Bill, even if its proposals are not published beforehand, has been discussed in advance with certain of the interests directly concerned, and perhaps agreements reached which are subsequently embodied in certain of its clauses. Again, the outlines of the Bill have sometimes been discussed in advance with one of those Advisory Councils or Committees of which I have spoken slightly above.

Of all these courses, that adopted in the case of the Local Government Bill is by far the best. As far as possible, all proposals for new social legislation ought to be plainly formulated, and published abroad for general information, well before it is intended to introduce the Bill embodying them. This ought to be done in such a way as to make it clear that the Government is in no way committed to the details, and is prepared to hear all criticisms and objections before proceeding to formulate its Bill in a definite and committal form. If only this was more often done, much waste of parliamentary time could be avoided; measures could be introduced into Parliament in better shape; and the public would be better informed about the pros and cons of Government policy. I do not suggest that this course can be followed in all cases, but only that wise statesmen will seek to follow it whenever they can.

This, however, pushes the matter back a stage further. Before the proposals are formulated and published, as well as at the stage between this publication and the actual introduction of a Bill, there will be need for some amount of consultation with outside bodies. Sometimes, the process begins with a Royal Commission or Departmental Committee, which formulates proposals that are then discussed both in the departments and in government circles and, perhaps, with outside interests. I should like to see such commissions and committees more definitely instructed than is now the case to draw up positively the heads for any legislation they might think desirable, and empowered not only to take evidence from outside interests before formulating any proposals, but also to consult with such interests on any proposals which they might formulate, before presenting their report to the appropriate Minister.

Again, I do not suggest that this method of close consultation with outside interests before a Bill is even drafted can be universally

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a tendency, steadily strengthening, to substitute for the old and fast State as authoritarian, the idea of the State as a public service, to meet the needs of centres of population as the industrial revolution developed into larger and larger aggregates, giving rise, e.g., to the growth of education services, are examples of the process. The administrative work of the government has increased until it is much more than well as part of its duties, and as the public cannot administer directly, Parliament officials are their agents for the purpose.

Legislation has shown a similar change. No longer does Parliament occupy itself mainly with laws enacting or maintaining order or forbidding wrongs. Most of its time is given to the creation of new organisations for public services and to regulation of the relations of citizens with those organisations. Mr. Burns points out very clearly in his book, "Democracy," that in this way "authority" is coming to mean only the influence of expert knowledge or the common agreement.

These changes clearly bring us to a view of the official very different from that held even so recently as the beginning of the nineteenth century. More and more must the official be regarded as the co-operator, the adviser, the expert, in certain forms of social service. Less and less can he be regarded as the wielder of a brief authority giving orders to those less happily situated. The official must and does tend to be less aloof, less dictatorial, less superior, and less given to setting his own pace, while for his part the modern man must take a greater and greater share in the day to day work of the administrative machine.

It is interesting to see how in the relations between industry and the public official this change is occurring. Probably the most important single event in legislation touching the relations of public officials and industry was the appointment of factory inspectors in 1833 followed by the first mines inspectors some ten years later. Before this the central government, on the lines of the authoritarian State, had issued orders from above and trusted to the obedience of subjects to carry out those orders. When the State decided that it would appoint persons to see that in fact those orders were obeyed it did two things of very great importance. First, it took the initial steps to make its orders effective, and second—and this was the greater change—it brought into the relations between government and industry the independent impartial experienced person, tending on the one side to advise the Government what it could reasonably require from the industry, and on the other to interpret to industry what was couched in the ambiguous language of legislation, the necessity of securing certain public interests.

These inspectors, working in daily contact with industry, trained

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Public officials, when they use it, become experts, at all events in its pathology, relations with industry learn that "the Higher Power than they can contravene," is indeed presented by perfectly accessible and tolerable creatures, always possessing at least the outward semblance of

Good humour. The mind which lies uneasily dumb beneath the shower of attacks, the mind which lies so clearly drafted as to appear mere jargon, or of is done, the mind which lies cold and stilted stirs to indignant activity in face of a public official, at sound of a human voice, and discovers that what endured can often be cured by reasoned argument. From the stage of friendly consultation is a short step, and at the time no one could well measure the extent to which in factories in the mining and shipping industries, public officials give really good co-operation within the limits of their duties—and sometimes beyond.

We cannot say that the relations between public, official and industry are yet the perfect partnership, but it is probably not far from the truth to say that the most valuable work done in relation to industry by public officials to-day is not police work or compulsion but suggestion and co-operation.

There are dangers in this tendency. One which has been noticeable of recent years is a tendency to look upon the inspector as responsible for the particular aspect of health or safety with which he has to deal. There are instances of neglect clearly traceable to the feeling that the inspector is a sufficient safeguard against the faults of the staff. This is wrong, for nothing can relieve the management of an industry of its responsibility, but the danger is obvious wherever inspectors are so multiplied as to make inspection intense, or where regulations go too much into detail.

From this hurried survey we return to consider once more how in relation with industry the public official can guide his path.

So far as legislation affecting industry is concerned, I cannot improve on what was recently submitted to the Committee on Ministers' Powers by the representatives of a great industry.

"The essentials to successful legislation correspond with the elementary principles of democratic government. The legislation should be based on full knowledge, practical, economic, and technical; it should commend itself to the general body of those upon whom will rest the obligations which it involves; it should be capable of adjustment with the development and changes that take place. It is generally recognised that there is a definite practical limit on the power of Parliament to legislate without delegating powers to legislate on details."

The memorandum refers to the substitution of departmental

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contacts and in properly employing methods of prior consultation. If explanation after action is necessary it should be given as soon after action as possible, and should be given frankly and fully.

By following methods such as these we may reach the position in which, in contrast to the quotation which appears at the head of these notes, it may be said of the relations between officials and industry, as has recently been said in the Press in one instance, that they "gave one an impression of thoroughness and of friendly co-operation and were suggestive of the benefits to be obtained by intelligently directed joint efforts of trained officials and expert technical and business men."

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THIS is the problem of the twentieth century: the relationship of officials and the public. Hitherto political scientists have concerned themselves with the relationship of parliamentary bodies to the executive, all in the background of classical democratic theory, but since the extension of State activity, experience has forced upon them the recognition that these bodies are only parts of the apparatus whereby the will of the people is brought to bear upon the executives and inventors of policy. It is recognised now, for reasons we indicate presently, that *direct* contacts between citizens and officials, whether in their central or local activity, are inevitable, necessary, and desirable. In this discussion we consider the general problems involved; and as requested by the Editor, we give the results mainly of *foreign* experience, taking examples from France and Germany. But we do not pretend to answer the problems: the necessary groundwork has yet to be done. It is useful, however, to indicate what the problems are.

What we mean by officials we most of us know: they are men and women professionally engaged in carrying out the sovereign resolutions of the central and local parliaments. Given the extent of the modern state in terms of territory, and its scope in terms of activity, given, further, the prospects of the expansion of this activity, the official's power is tremendous. What, however, do we mean by the public? We must exclude the members of the parliamentary bodies. These have the regular rights of control and command: their problems have long been studied, and it is chiefly because they have proved inadaptable or, at least, unready, to the tasks of the modern State, that the direct relationship of officials and public has developed into a problem of the first magnitude. We must take the public to mean the non-official and non-parliamentary body of citizens; or, all the *clients* of government subjected to various obligations which they owe directly to officials and entitled to the receipt of various services directly from them. It is this aspect of public affairs which is important and becoming ever-more important, while the parliament-

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executive aspect maintains only a minor and unprogressive interest.

Why is this? The ultimate causes are two: the nature of parliamentary bodies and the nature of State activity. If we take continental experience alone we learn, at once, that parliaments, however large, are not comprehensive enough in representative quality,¹ that parliaments, organised as a public forum for the ventilation of grievances, the incitement of the public, and the passage of general resolutions, are deficiently organised for guidance of the executive,² that Cabinets are, even now, at once too small and short-lived to be appropriate channels of influence between parliaments and the Civil Service, and that parliaments are improperly schooled, deciding by weight of numbers instead of being guided appropriately by scientific knowledge of the technical nature of the service they regulate.³ Hence the method of petition to parliament has become almost completely atrophied, and individuals and associations feel obliged to bring their needs to the attention of Government otherwise than through the formal channels, the only ones envisaged by the schools of Rousseau and John Stuart Mill.

Yet were it not for the peculiar qualities of State activity we might be content with simple parliamentary contact between public and officials. Its essential purpose is to overcome the excessive decentralisation of economic and social activity in an individualistic society. On the Continent this purpose was never shaken by the doctrines of *laissez faire* to the extent experienced in England. In Germany, the school of the Cameralists, that is economist-cum-administrators, supported, and were supported by, the absolute kings, and Adam Smith's doctrines were overthrown within twenty years of their first enthusiastic reception.⁴ In France neither the organisation nor the spirit of what is to-day called *étatisme* were shaken by the successive waves of revolution and reaction. Everywhere now, however, State control is the order of the day, and analysis shows that it has at least three characteristics which impose new forms of political organisation on the modern State.

(1) The economy of State control is obtainable only when a great scope of services is managed in a large area on uniform principles by a relatively small number of officials. Otherwise, with many

¹Cf. the analysis of the German Reichstag and the Prussian Landtag from 1871 to 1924 in Kamm: *Abgeordnetenberuf und Parlament*, and Gilles Normand, *Les Avénues du Pouvoir*.

²Though this is better, as regards mere organisation, in France and Germany than in the British Parliamentary system.

Cf. Pierre, *Traité de droit politique et parlementaire*, and *Geschäftsordnung des Reichstags*, 1922.

³This topic is discussed in my *Representative Government and a Parliament of Industry*.

⁴Cf. Adam Müller, *Elemente der Staatskunst*, 1813, the systematic expression of this trend of victorious thought.

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officials and much differentiation of service, one approaches the previous condition of non-control and excessive decentralisation, which State control was introduced to remedy. The inevitable result is *impersonal administration*; that is, the settlement of cases by reference, not to all the differentiating details of time, place, and person, but by reference to standards made upon what is *assumed to be human nature*, to averages, and scales ranging between defined minima and maxima. In other words, the benefits conferred upon society by state control, which is the reign of extensive uniformity, is offset by numbers of individual disadvantages. This effect of State enterprise has long been observed; it was noticed by Wilhelm von Humboldt in the Prussia of 1790,¹ it was observed by Neckar in the France of the same era.² The only remedy is frequent and effective reiteration of the fact that personal and local circumstances alter cases; and that leads to the direct collaboration³ of public and officials. Parliaments are not, ought not, and cannot be, organised for functions of this nature.

(2) State services are *monopolistic*, that is, in most cases, the citizen cannot, sometimes he is entirely forbidden to, find an alternative source of supply. The power is the power of the State: immense, unavoidable, sovereign. Although professional ethics may check any tyrannical, lazy, indifferent tendency of the official who, for the time being, possesses this power, in the known state of human nature external controls are necessary, to prevent the perversion of public power to private satisfactions. Two things are necessary: to produce a continuous sense of accountability and to reduce the popular feeling of unsympathetic domination by officials. Parliaments attempt this, and in some degree succeed: committees of investigation, questions (which are on the increase in every legislative body), interpellations, budget debates, and personal visits of members of parliament (most frequent in France), serve to maintain in officials a sense of doom and to rectify obvious instances of maladministration. Yet the apparatus is clumsy; Parliament does not sit all the year round, it is very properly busy with other things, and its action cannot be *timely* in all matters. Other direct relations are obviously indispensable, and, in fact, are in the course of sporadic creation. Nor is the Civil Servant obliged like the ordinary business man to solicit business; there is no price-relationship to make him ever anxious to find ways of getting more customers and of pleasing them.

(3) Officials are restricted in their inventiveness by limitations contained in statutes. If they become too inventive, and this harms one

¹*Über Wesen und Zweck des Staates*. There is an English translation of 1854 under the title, *The Sphere and Duties of Government*.

²*L'Administration des Finances*, 1793.

³There is already a school of *collaboration* in France: Cf. Bernard Geny, *La Collaboration des particuliers avec l'administration*. Paris, 1930.

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citizen though it benefits a dozen, they are liable to penalties which, in England, fall upon them personally, in France¹ and Germany² fall upon the State. The only way in which a legal extension of the scope of civil service inventiveness may come about is by an amendment of the statutes empowering the officials. This may be encouraged by properly constituted bodies collaborating with the Civil Service, which may remove the belief that civil servants are mainly interested in adding to their powers, and prompt official inventiveness beyond its spontaneous expression by pointing to a variety of needs.

II

These and other considerations have caused the public and officials to come into direct contact in two ways: in the making of law, and rules, instructions, and standards which amplify the law and give it administrative application, and in day-by-day execution of the law. We now consider the problems under these heads, giving what information is available on the forms and methods of co-operation regarding each.

1. *Law and Rule Making.*—The apparent initiative in the making of law most usually issues from the Cabinet Ministers, who are the agents of their political parties, and who realise the plans which have been made by social philosophers, scientists, and interested associations, and almost always really from civil servants in the particular department or departments immediately concerned. But no State to-day is content with this simple arrangement, since the interests concerned are too many to be satisfied without their own direct intervention, and the knowledge at the disposal of the Civil Service, whether in the localities or at the centre, is too scanty for appropriate legislation. On the Continent their training is mainly in law, private, constitutional, and administrative, with only a smattering of economics and social science and history.³ Hence a variety of devices have been adopted for bringing the public into direct contact with officials in the preparation of laws. These fall into, roughly, two classes: informal and formal; in the first the departments tolerating approach, in the second, the Government having made a formal constitution and scope of power. In the (a) informal institutions we find the deputation and the "Lobby," in the formal (b) departmental advisory committee, bodies like the Chambers of Commerce, committees of enquiry, and councils like the German Economic Council and the French National Economic Council, which group together representatives of the sections of the public on a basis different from that of the geographical constituency.

¹Cf. Duez, *La Responsabilité de la fonction publique*.

²Schellhorn, *Die Amtshaftung*.

³The subject of education of officials is very fully treated in my forthcoming book, *Theory and Practice of Modern Government*.

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(a) I find no special regulations regarding deputations or the "Lobby," excepting in Germany, where Ministers are required to acquaint the Foreign Office if any negotiations of theirs (e.g., in regard to quarantine, import regulations) might affect foreign relations. Apart from this the individual Minister is at liberty to decide whether there shall be direct contact between interested groups and himself and his officials. The deputations are usually noticed in the Press, and if they are of general importance or concern a large number of people, the department issues a summary account to the Press. It is desirable to encourage deputations; it is as desirable that an announcement of every deputation with the names of the organisations concerned, their business, and the government reply, should be made. They take time, and may be embarrassing, yet the authority of the law at a time when law must needs raise passionate advocacy and protest and produce so much good and so much pain, is worth some extra expenditure on under-secretaries, and the trouble to create a protective ingenuity equal to the embarrassment. In both countries a member of parliament frequently leads the deputation, and is accompanied by the secretary of the organisation. It would tax the brain much to elaborate a series of rules which should secure at once encouragement of deputations and publicity. Their justification has been admitted in American controversies regarding the "Lobby," when the question of the registration of authentic representative organisations has been considered.¹

(b) The formal institutions have grown out of departmental recognition that official knowledge was seriously limited, and that the law would have the more authority and less the character of unjustified imposition if collaboration with expert and interested outsiders were established. Almost every country has in one or several departments permanent advisory bodies.² In France, among the most important are *Conseil Supérieur de l'Instruction Publique*, the *Conseil Supérieur d'Hygiène Publique*, the *Conseil Supérieur du Commerce et de l'Industrie* and the *Conseil Supérieur du Travail*. These are composed partly of experts, nominated by the Minister (many retired officials being nominated) and others elected by certain named associations, as e.g., the *Association Générale des Médecins de France*. Care is taken to secure wide representation in terms of the interests concerned, but also territorial representation. They are simply advisory bodies, which function not when they want to, but when they are asked to by the Minister. Since they are large bodies, they do not sit con-

¹Cf. Herring, *Group Representation before Congress*.

²Those operative in the British Departments may be sought out in the *Whitehall Series* on the Departments, the occasional studies in the *Journal of Public Administration*, and in the evidence before the Departmental Committee on the Departments and the Law.

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tinuously, but set up a sub-committee for this purpose. It is clear from experience that their effectiveness depends upon: (a) free election by their organisations; (b) provision for territorial differences; (c) the readiness of the official hierarchy to call for their opinion; (d) the existence of a permanent nucleus; (e) the recognition that their work is to produce a statute, and not to meet for the enjoyment of leisured discussion.

In the German Reich the principal advisory committees are:—

Ministry of Labour	Physicians and sickness funds.
	Wounded soldiers and care of orphans, &c.
	Labour legislation.
	Urban housing conditions.
Ministry of Transport	Rural housing conditions.
	Canal and river navigation.
	Aircraft.
	Motor transport.
Ministry of Food and Agriculture.	Industrial technical matters.
	Railways.
	Animal foodstuffs.
	Manure.
	Technique in Agriculture.
	Marshes.
	Food Research.
	Viticulture.
Ministry for Economic Affairs.	Fruit and Vegetable Culture.
	Forestry.
	Wood.
Ministry for Economic Affairs.	Tariff Committee.
	Imperial Inspection of Transport Insurance.

Similarly in Prussia.

What do these committees do, and how are they composed? Let us consider one or two examples. (1) The Aircraft Council, founded in 1924.¹ Its duties are to give advice in especially important problems in the field of air transport. The chairman is chosen from among the officials of the Ministry of Transport by the Minister. The Minister also chooses the other members. Further experts may be appointed at need. In fact, the council is composed of representatives of the aircraft industry, the air transport firms, air transport employees, of the Federation of German Manufacturers, and various experts.

(2) In the Council for Fruit and Vegetable Production there are 22 members drawn from the various economic organisations directly con-

¹Cf. *Verordnung über die Änderung des Luftverkehrsgesetzes*, etc., February 5th, 1924.

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cerned with production and others concerned in marketing and preserving, and consumers are also represented.

These councils are called in for advice upon the making of new laws, the making of rules and orders, and the general administration of problems as they arise.

In both France and Germany it is also the practice to notify the public in general and the special interests in particular that a law is about to be made—the effect, as in England, is to produce an immediate crop of comments and claims from various associations.

Both Germany and France have proceeded beyond the establishment of departmental advisory councils to the creation of general economic councils comprising large numbers of representatives of various industries and of consumers. For experience of the departmental arrangements show that when important and comprehensive matters of policy are under consideration so many interests are concerned that a widening of the representative and expert basis is necessary. The experience of the German councils¹ shows that such bodies are most useful when they dispense with the full assembly as a working body, and confide their work to committees small enough to act in a businesslike fashion and yet able to bring before them a large number of witnesses from panels already carefully prepared. They are helpful in the highest degree to the officials whose business it is to prepare plans for the Ministers, although the officials are plagued with a great deal of clerical work and must find time to meet all the various bodies concerned with their stimulation.

In the matter of committees of enquiry the English have been able to give hints to the Continent, and the English method of Royal Commissions has so impressed Germany that provision is being made for their equivalent in that country. We have nothing to learn from the Continent in this matter, excepting perhaps, this, that the Continent has preferred to create *permanent* bodies of enquiry rather than temporary bodies like our Royal Commissions. The permanent advisory councils have this great advantage, that if their findings are obscure or disputed, an authoritative answer can be obtained from the body which made the original recommendations.

The Chambers of Commerce, Industry, Labour, Physicians, and so forth which abound on the Continent, are not, like the bodies which in England bear these names, without formal status. A series of laws and decrees determines their composition and functions, and they are recognised as institutions whose voice ought to be heard in matters of law-making and administration. They have a long history and play an important part in keeping officials in touch with the practice of industry. The principal statutes regulating them in France are

¹Cf. Finer, *Representative Government*, and for France, cf. Lautaud and Paudeux, *La Représentation Professionnelle*, 1927.

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those of April, 1898, and February, 1908. Each *département* establishes a Chamber of Commerce. Their advice *must* be asked upon rules relating to commercial usages, taxes designed for transport services in their area, on the utility of public works and the ways and means to pay for them, on the prices of prison-made goods. They actually administer stock exchanges, docks, markets, industrial museums, &c. They obtain funds out of public taxation. *Inter-départemental* federations are possible, and many have come into existence. The really important feature of such bodies is that they have a *status*, and the departments of State, whether operating at the centre or in the localities, always reckon with them. So also in Germany, where their powers in relation to the Economic Council have raised acute controversy, since they are so important.¹

What merits have these arrangements, and what principal difficulties? Their merits are that they mould the law and regulations to the actual nature of social life, and at once obstruct the mere realisation of warm but vague moral enthusiasm as it enters the administrative departments through Ministers, and continually recall the administrative and technical experts of the Civil Service to a sense of public realities. The great difficulties are two: there is the urgency of some measures. *More important, however, for the official is his obligation to stand as the representative of the vast unrepresented anonymous public.* However representative the deputation or advisory council it is not and cannot be completely representative. The official is compelled to weigh its advice and the interests of its several sections against the interests of the masses of individuals who will be subject to the laws and rules recommended. For as political scientists are increasingly aware the problems of statecraft are not problems of an entity called the State as against an entity called the Citizen, but they are problems of benefiting some groups at the expense of others. Some groups may be represented, but the Minister, or in other words, the official, represents the community, that is to say all the other interests which, though not vocal, exist, and though not articulate have needs as urgent as those which speak in the councils of State. Hence, though there should be the warmest encouragement, and every formal provision for consultation, there cannot but be the reserve power to reject or modify the recommendations. For when all technical considerations, and all special groups interests have been weighed, there still remains the ultimate moral significance to attach to them; that is the business of the Minister on the basis of the majority principle, and the official cannot avoid acting for the Minister on the same basis. *Salus populi . . .*

In both France and Germany parliamentary arrangements make

¹Cf. Finer, *op. cit.*, p. 57ff.

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it possible for the civil servant to benefit from frequent contact with the leaders of industrial and social life. The most important stage of a bill is, there, the committee stage. The committees are aided by expert civil servants from the departments responsible for the bill, through the power of the government to be represented and helped by "government commissioners." As the committees in *informal* sessions meet representatives of the interests concerned, the officials benefit also.

2. In the execution of the law the official himself is not infrequently obliged to come into direct contact with the citizen often personally, more often by writing. Two problems arise: the extent of lay co-operation in the actual administration of the law, and the nature of the personal and written contact between officials and public.

Disregarding territorial decentralisation, which is one way of producing personal and local adaptability of administration, let us concern ourselves a little with decentralisation by function, that is arrangements whereby the State, instead of taking over the management of a service by its own officials, either permits administration by private citizens on the basis of rules laid down by the Government, and with rights of inspection, or where it associates lay members with administration by officials. Thus, by a French law of 1850 private penitentiaries for young delinquents may be established; they require the sanction of the State, which lays down conditions of hygiene and good treatment; by laws of 1912 and 1921 similar arrangements are made for the care of children who have come before the courts but have been acquitted since they have been imprudent rather than criminal. In 1919 a law permitted private industrials and merchants to establish and manage technical schools, to hold examinations and award State diplomas. Then in other cases there is a direct mingling of public and officials in the administration of workers' pensions (law of 1910), and in the administration of social insurance (by the law of 1928) somewhat similar to arrangements in Great Britain between the State and the approved societies in health insurance. In all these cases the State has conceived the main lines of collective control, and if they are likely to be maintained it sanctions the body of people who are prepared to assume the responsibility, and then supervises the observance of its principles. Thus, it hears and determines appeals regarding elections to Chambers of Commerce, it settles the plan of study in the free technical schools, it supervises the qualifications and recruitment of the personnel, as in these same schools, and continuously inspects their activity.

A similar development proceeds in Germany. Of special importance are the Parents' Advisory Councils which, in Prussia,¹ are set up

¹Cf. *Ministerialerlass: Elternbeiräte*, 5th November, 1919.

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for each school. Their purpose is to promote and strengthen a good relationship between school and home, and to facilitate and guarantee that reciprocal influence. They are composed of parents elected for two years by the body of parents. They must meet at least twice a year; their chairman may call them more often at need.

It is clear that a way out of apparently inevitable bureaucratisation lies in such directions.

Now there still remain certain questions arising out of the ultimately unavoidable personal and written contact of officials and public. Many problems are wrapped up in the question of the legal responsibility of Civil Servants for damage to citizens committed in the course of their service. The English doctrine has been that the official can best be kept in a state of careful and liberal administration if he is made personally liable for tort. The Continental doctrine is that no one has the right to expect more than an average capacity on the part of officials, and that if the work imposed upon them for the benefit of the public should be more than their efficiency can manage, or if the exigencies of the service over which the individual official has no control inevitably put him into a situation where he causes damages to a citizen, it is fair that not he but the public in the form of the Treasury should pay. The psychological foundations of these different doctrines have never yet been examined. The one seems to me to be inhibitive of enterprise; the second better adapted to the positive tasks of the modern State. But that is a subject of sufficient complexity for another paper.

Next is a complex of problems arising out of the principle of equality in the public service. We have already observed that public administration does not exist to make a profit, but to render services wherever they are most urgently needed.¹ Inevitably the principle of equality imposes its demands upon officials: they must be fair, they must favour no one above another, and are only to be guided by the equal application of the law. This principle is not stated in any British statute, nor do I believe it is a common law principle, but it undoubtedly weighs powerfully in the public mind. In France and Germany the principle is actually declared; the German Constitution says,² "All Germans are equal before the law Public privileges or disadvantages of birth or rank are to be abolished;" while in France the jurisprudence of the *Conseil d'Etat* is thus summed up by Jéze,³ "All individuals fulfilling certain conditions, fixed in a general and impersonal manner by the organic law of the service (law, rules, general instructions) have the legal power of demanding the service which is the object of the public service: this is the principle of the

¹Cf. Finer, *The British Civil Service*.

²Art. 109.

³*Les Principes Généraux de droit administratif*, vol. iii (edn. 3), p. 20.

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equality of individuals in relation to public administration." These principles exclude partiality: do they exclude adaptability? They do not. Both in Germany and France scope for discretion is allowed, this discretion itself being subject to the principle of equality, which means difference of treatment only on reasonable, but not arbitrary, grounds. As State activity increases this principle of fundamental equality with appropriate difference becomes of more and more importance in the relationships of public and service. It excludes differences of treatment which are liable to creep in, such as political antagonism, sex preferences, religious and class differences, but the very serviceability of official action requires that there shall be differences of treatment according to the nature of the time, place and person. One has to observe the difference so ably made in France by the *Tribunal des Conflits* and the great jurists like Laferrière, Haurion, Teissier, and Jéze, between *personal* acts and *service* acts: "The *faute de service* results from a service badly rendered, an order badly done, misunderstood, imprudently executed, but still having in view, the operation of the service alone; the *faute personnelle* consists of crimes, frauds, grave faults, where appear the *personal passions of the agent, rather than the difficulties and risks of the function*." (Laferrière, II, 189.)

Thirdly, the problem of inducing the public to look upon officials as their willing servants, and of controlling the tendencies to irresponsible government, has caused much concern in Germany. The Constitution declares the rights of the public very clearly:¹ "Every German has the right to make requests or complaints to the competent department or representative body in writing." In fact, even before this declaration of rights was made, the public was very ready to approach officials, especially the local burgermeister who in some cases is looked upon as a veritable Providence. Why not? It is part of the general code of duties of German officials that "in their intercourse with the public officials must always be courteous. They must avoid roughness and apathy; they must be friendly and obliging; must try to further the affairs of all who appeal to them, and readily give advice and information to persons who are ignorant of the law and official routine, providing that official duties or the legitimate interests of others are not opposed thereto. Quiet and circumspection must be observed, since procedure may easily awaken an impression of violence and prejudice and make difficult the execution of business. The mode of dealing with the public also depends in a certain measure upon the educational level and the breeding of the individual, and the right way here will be indicated by the natural tact of the official."²

It would be possible to extract from the decisions of the *Conseil d'Etat* a similar set of injunctions for France. Such injunctions are

¹Art. 126.

²Brand, *Das Beamtenrecht*, pp. 427, 428.

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very urgent, since an aggrieved citizen is faced with a dilemma: either to suffer rough treatment without the possibility of turning to an alternative source of supply of the service, or to make a formal complaint and be obliged to go through a wearisome course of correspondence long after the first smart has passed away.

Fourthly, there is the problem of written communications to the public. The number of jokes on this score exceed, perhaps, those based upon the parsimony of the good Scotchman. They are often deserved. The language of official communications is often antiquated and always stilted. Can nothing be done to root out common faults? In Germany special attention has been paid to this subject; and, perhaps, indeed, it was required. Hundreds of minutes and a specially significant one of June, 1897, as well as tradition, regulate this subject. A critic and reformer of the highest authority recently observed that among officials the principle of *accuracy* was prior to the principle of *speed*, but it was forgotten that speed (or timeliness) is often a component part of accuracy (or appropriate action). Every department has a "simplification official" to attend not only to questions of diction, but to avoid circumlocution of all kinds. Officials are provided with a booklet called "Principles of Good German in the Written Communications of the Departments."

Other questions like that of secrecy must be left to another paper.

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What of the public's attitude to the Civil Service? This is compounded of some curiously mixed ingredients. The public is hostile to the official, it is afraid of him, misunderstands him, occasionally admires him. It is hostile to the official because at some time or other as an inspector or a taxpayer or a medical officer, or what not, he comes to take away, not to give—it is in the nature of his task to limit one's freedom and property. This is not done for himself, though he may feel some satisfaction in doing it—he may feel powerful, stern, a *deus ex machina*, yet in the end the deed redounds to the benefit of certain individuals and groups in the distant background. One experiences the deprivation, but the social benefit is not so easily discernible, just because it is social and diffused rather than immediately personified. The public fears the official and the extension of official activities, because it feels there is no chance of appeal, no alternative to official judgment. It cannot understand, without careful tuition, why officials receive pay and pensions, why they are needed at all. All other businesses explain themselves. In Germany advertisement is less necessary than in England, because the activity of officials has

¹Dr. Arnold Brecht, of the Prussian Ministry of Finance, Civil Service Division, in *Die Geschäftsordnung des Reichsministeriums*, 1927.

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for over a century been an honoured part of the general civilisation to which all are accustomed. Even so, the German civil service associations do not maintain a sulky silence, but keep themselves well in the public eye, both inside and outside Parliament. A few among the public everywhere recognise the significance and difficulties of the official's function; ought not steps be taken through every medium of publicity to overcome the hostility and distrust?

Supposing one were asked for a civil servant's vindication in relation to the Public, having regard to what we have already said, what would it be? As follows: "I possess great power, and I may do you harm. But I do not act for myself but for the public good as determined by Parliament, and often by direct representations from the public. Nor do I act arbitrarily, but according to rules which are equally valid for everybody. Not my will prevails but the will of other members of the public. If therefore you quarrel with my powers you should seek not the immediate executor but the ultimate creator of them. However, some discretion is necessarily left to me, and I know that I ought to exercise this with all politeness, understanding, and the least amount of necessary pain. Like all men, like you, for example, I am sustained in my work by my pay and other rights, my zeal is not consistently at its highest level, and I have alternations of mood, sometimes I am alert, sometimes slack, yet I will not deny my services because they are troublesome to me and just a little beyond the minimum which will avoid a complaint, but positively seize opportunities of helpfulness, fitting the judgment carefully to the case. Your own roughness, accent, social standing may affect me, but I will try to avoid letting them improperly bias my reasoned judgment. Things would go better if you would co-operate with me by recognising my difficult position and treating me with sympathy instead of hostility, by reading all the rules which you are supposed to read and keep before you fly into a temper because mistakes have occurred, by willingly co-operating on the various committees which are and should be established for collaboration. Even with all the arrangements and personal control which conduce to smooth working of the service and satisfaction of the public, I may still suffer from unsympathetic treatment because ultimately I am the representative of the State—that is the *whole of the public*! You will of course enjoy my power and applaud it when it does you some immediate good: I must beg you to recall the significance of my work when I have to weigh the rest of the public against you. I at least am a member of a body which is neutral in the State, or rather helpful to all. You cannot buy more of my services if you happen to be badly off, you will not get less if you happen to be badly off; you will not be passed over if you belong to one particular party or given special privileges if you

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belong to another. We represent the unity and collective control of the State. I give the whole of my time to the work, and am as entitled to my pay and pension and other rights as any other worker. If my services are intangible or misunderstood they are nevertheless distinct and important."

That is the kind of teaching which has to find a place in the schools and in public life, and the official, like everyone who is attacked, can find help only in learning to speak for himself. The public which is too selfish to construct his defence must be button-holed.

The Personal Relations of Officials with the Public

By G. H. STUART-BUNNING, O.B.E., J.P.

THE British civil servant has a good opinion of himself and no wonder for, with the possible exception of the London policeman, he is the most bepraised person in the world. Cabinet Ministers write forewords when he publishes a book, in which they extol him. They go to dinners and recount the obligation they and the country owe to the Civil Service, and if the recipient of all this laudation sometimes wishes it was translated into terms of salary it is only a passing thought, to be instantly dismissed as unworthy. Nor is this all. The Customs man is scarcely a popular person but if, at Dover, the officer desires to open just the one bag of which the key is mislaid and the traveller expresses himself in the usual manner, someone is sure to reprove him with tales of the barbarities of Customs officers in New York or Riga or some other far-off place.

The greatest tribute was paid by an eminent judge, who recently wrote a whole book to show that the civil servant was slowly but surely getting everything within his grasp. So alarmed was his Lordship that he called upon his countrymen to get up and do something about it, but his only concrete suggestion was that the work should be taken from the Civil Service and handed over to members of his own trade union. Unfortunately, as they are always expensive, often dilatory and not always efficient, only a few people like Mr. Harold Cox got at all excited, and the civil servant will apparently go on doing all the things his Lordship says he should not. Indeed, such is the hold he has that when the Institute of Public Administration gave a dinner to Colonial Premiers and delegates to the Indian Conference the Premiers and the British Ministers could only talk of the perfection of the service, and it was left to the two

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Indian delegates to talk on the business of the gathering; and very well they did it, too.

Of course, there are brave people who venture, in moments of exasperation, to criticise even the civil servant. No one really loves the Inland Revenue, rude things are occasionally written anent employment exchanges, and there is always the Post Office counter clerk, but these are comparatively rare, and no civil servant ever loses any sleep over them.

Yet it may perhaps be asked whether we should not pay a little attention to them, and assuming the remote possibility of small blemishes, do what may be done to remove them. The strange but natural thing is, that the public in a general way blames the official for things he cannot help and which are indeed imposed upon him by the public itself. Endless minuting, inordinate delay and miles of red tape cry the papers from *The Times* downwards, and they are now and again reinforced by some celebrated novelist, but the official is not responsible for any of these. This is not to say that they are not sometimes carried to excess, and in fact of recent years they have been cut down to an extent which must make Victorian officials, dead and gone, turn in their graves, but in the main they are imposed by the conditions of the public service, and this applies both to the civil and municipal services. The slightest error, the most minor peccadillo raises a storm of protest in the press, usually followed by questions and discussion either in Parliament or Corporations, and there is a deuce of a racket. Irritating and disagreeable as these criticisms are to the official, these are all to the good, and result in services which for probity and efficiency are nowhere excelled and seldom equalled in the world. Now, the public cannot have it both ways. Meticulous accuracy means meticulous method. The elaborate system of records is often attacked, but does a member of Parliament desire to know how many bananas were imported from the West Indies in 1919-20, he expects and gets the information in twenty-four hours, but this entails records and filing and indexing unknown to private enterprise.

As to minuting no one would attempt to defend the classic case of which Lord Curzon wrote: "Departmentalism is not a moral delinquency. It is an intellectual hiatus—the complete absence of thought or apprehension of any thing outside the purely departmental aspects of the matter under discussion. For fourteen months it never occurred to a single human being in the Departments to mention the matter, or to suggest that it should be mentioned. *Round and round, like the diurnal revolution of the earth, went the file, stately, solemn, sure, and slow; and now, in due season, it has completed its orbit, and I am invited to register the concluding stage!*

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How can I bring home to those who are responsible, the gravity of the blunder or the absurdity of the situation?"

Let it be observed, however, that the Olympian wrath of the great Pro-Consul was not at the minuting itself or even at its duration, but because he had not seen the matter before.

No, the public official can make a sound defence of his methods and of red tape, or rather the anæmic stuff which is now issued in place of the old full-blooded article.

So far as the public has any complaint it is in regard to a matter which the official is often inclined to regard as trivial, but which is, in fact, of the highest importance, viz., the personal attitude of the official to the members of the public.

Here it is necessary to write a few words on the besetting sin of all public officials, which is to forget they are the servants of the public and assume they are its masters. It is less noticeable in this country than in any other I have visited, except perhaps Scandinavia, and it is not confined to the public services, for it is significant that the bad times experienced by the railway companies have brought about a great increase of politeness to passengers, while most of us have sad recollections of the arrogance of privileged tradesmen in the war. Still, it does exist in the public services, and is an evil and unnecessary thing. It springs mainly from what is loosely called the bureaucratic touch, which is only another way of saying that the official considers himself superior to the public with whom he comes in contact.

Its existence is usually hotly denied, but sometimes excused on the ground that there is little of it and the public are very trying. The denial is simply sticking heads into the sand, but it may at once be gladly conceded that in proportion to the staff of the services impoliteness is rare.

But it should not exist. Courtesy in a public servant is a high form of efficiency, and this is not always realised by the Departments, the officials or the associations.

True, the telephonist is instructed to "hear all and say nowt," which is very difficult at times, but little or nothing seems to be done with regard to any other official. As for the excuse that the public is sometimes objectionable, the simple answer is, that two blacks never did and never will make a white.

I cannot say much of the municipal services, but cases come before me on the Bench in which it is clear that the officials have sometimes forgotten that their first duty is to advise and not to admonish, but these are difficult cases and possibly hardly come into the category of courtesy as between officials and the public.

Of the Civil Service I have more knowledge, and select two

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Departments for such details as appear necessary to prove there might be an improvement in attitude, the Inland Revenue and the Post Office. The Income Tax people do not expect to be popular, but except on one occasion my relations with them have been very pleasant, for they have more than once returned money when I was unaware of their indebtedness to me. Consequently, when I heard complaints of their attitude I was inclined to pooh-pooh them, but an experience caused me to think that even in that Department all was not always well. A friend of mine thought he was wrongly assessed.

Letters and interviews with his local man only resulted in curt notes saying he was wrong, and eventually he obtained an interview with an official at Somerset House and I accompanied him. For twenty minutes we were treated as though we were trying to rob the Revenue, then by accident the true point emerged and the whole thing was shown to be due to my friend having misunderstood a point of income tax law. When we asked why that could not have been made clear at the first, the impression we gained was that had we any gumption we should have known it.

This won't do! What is simple to the Income Tax official is not simple to the layman, and while the Income Tax can never hope to be popular it would be less unpopular if explanation was more readily forthcoming and objectors not made to feel that they are suspect.

In the Post Office the trouble is nearly always with the counter clerk, although a point arises concerning postmasters. Why is it so difficult to get to see a postmaster of any big town. Some of them certainly have the excuse that they are ashamed to invite anyone to the wretched cubby-holes the Post Office designates postmasters' rooms, but that is not the whole of the story.

Usually a request to see the postmaster personally is taken by an overworked inquiry clerk who seems startled at the demand and closely cross-examines the visitor, after which he hands him over to a messenger, who watches him like a cat and conducts him not to the postmaster but to an official who pretends that he is that official. Postmasters usually say these precautions are necessary or their lives would be burdened by bores, but it is doubtful whether after all so many people want to see the postmaster personally and, anyhow, the chief who has not mastered the art of getting rid of bores lacks an important qualification.

In the first part of the war I did some work for the War Office, attending many meetings in the country. The organiser invariably said I was from the Post Office, and time after time, prominent townspeople asked me to do something regarding the rudeness of the

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counter clerks in the local offices. It was, of course, not my business and, no doubt, there was much exaggeration, but I approached responsible persons to be met with the usual denials, with the misinformation that I did not know what the public were, a sufficiently absurd remark seeing that I had had many years' experience of the Post Office, and what was most irrelevant of all that I should remember how tender counter clerks were with old age pensioners. Gently reminded that the courtesy given to customers in the great shops far exceeded that of the Post Office counter, my friends burst out that shop assistants were wage slaves and had to be servile to keep their jobs. Phrases like wage slave are very stupid, and in any case cannot apply to the bank clerk who is, as a rule, the most polite person. It is with him that a true comparison may be made.

Why is it that "thank you" is so often missing from the vocabulary of the counter clerk? It is true that "thank you" is in some cases almost as offensive as the "sorry" which a woman jerks over her shoulder when in rushing to the door she has trodden heavily on your foot. You know she is not sorry, and is probably resentful of the fact that your foot came between the wind and her mobility, but generally it is a gracious phrase and is used less than it might be in post offices.

Rudeness in post offices is, on the whole, passive rather than active. Cases of the latter kind occur, but not more and perhaps less frequently than outside, but it is a slur and unfortunately a common rudeness for a counter clerk to continue a conversation with another clerk while serving a customer.

A customer is entitled to the undivided attention of the clerk and if the Post Office were not a monopoly the Department would soon discover this in the most disagreeable fashion of a loss of business.

Another rudeness seems to be due to faulty organisation. Counter clerks must of course receive fresh supplies of stamps or whatever it may be, but that is no reason why a supervisor should stop a transaction with a customer to make the necessary inquiries. But it is done! Remonstrance on one occasion met with the retort that official business must take precedence and the rejoinder that serving a customer was official business, produced nothing but a supercilious stare.

This paper must not be too long, and it is suggested that the remedy lies in joint action between the Departments and the Associations.

The interest of the Departments is obvious; that of the Associations lies in the fact that it is a mistake for them to regard as their sole functions "more pay and less work." They are vitally interested in the efficiency of the whole service, and I conclude by repeating that courtesy is a high form of efficiency.

How London is Governed

By HUGH GREEN

Town Clerk, Finsbury

[Paper read at joint meeting of the Institute of Public Administration and the Association of Metropolitan Borough Clerks, 24th November, 1930]

TO describe how London is governed in its local affairs may be made the briefest of tasks, dismissed in a few short sentences. One might say, London is governed by the London County Council in central matters, by the City and Metropolitan Borough Councils in local matters, with an occasional paternal intervention by a department of the National Government; and that is all.

But I do not imagine that I should satisfy an audience such as is here gathered this evening by so bald a statement in describing how London is governed. With such a Chairman,¹ presiding over such an assembly, amongst whom I see a number of my brother Town Clerks, I gather that something far different from that is expected of me.

What then, am I to do? Am I to explain to you how London is governed by asking you to follow me through a lengthy exposition of London local government statutes, bye-laws and regulations, describing the operation of each, and directing you to chapter and section? I think you would not thank me if I did this, just as I know that many here could compile such a catalogue with greater precision than can I. No; rather am I persuaded that I may best do justice to my subject within the scope which this occasion provides, by disclosing some brief glimpses of the history and development of local government in London, by examining more the purpose than the provisions of its chief statutes, by inspecting not only its outer structure but also its inner chambers.

A glance at the historical development of London government discloses at once a surprising fact. Some writers assert that as far back as 1000 B.C. there was on this site a town of importance in the land. More reliable records tell us that in 50 B.C. London existed as the capital of the Trinobantes, and that it was the Londinium of the Romans in the first century of the Christian era. Remembering this, and then turning one's attention to London's modern history, one

¹Chairman—Mr. I. G. Gibbon.

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is startled to observe that the present highly organised state of London's local government is the product of comparatively recent years. Although London's streets were first paved under a statute of 1533, it is little more than one hundred years ago when came any serious stirrings of London's conscience to put its affairs in order, to bring under some uniformity of control the ill-assorted settlements of humanity which had grown up in the outer circumference of the City. 50 B.C. to the Metropolitan Paving Act of 1817 A.D. is a long stretch. Prior to Hunt's valuable work on London government first published in 1807, standard text books on London government included such manuals as "Prideaux's Churchwardens' Guide" and the "Vestryman's Handbook"! During my own official experience, and doubtless within that of others here present, the electors' roll for a local government election was prepared in manuscript, and ballot papers were distributed at the electors' doors by policemen. The Metropolis Management Act of 1855—a measure of 251 sections—may be regarded as the great Metropolitan charter, and yet under its provisions London, outside the City, was governed, apart from the central Metropolitan Board of Works, by 12 district boards of works, and 30 vestries. One vestry might consist of as many as 120 members, with the incumbent and churchwardens of the parish as ex-officio members. Important and far-reaching in the government of London as was the creation of the London County Council through the Local Government Act of 1888, this was rather a measure for central control than local administration, and no development occurred in the latter sense until the Local Government Act of 1894. Although this enactment strengthened somewhat the code of London government in that it applied the Ballot Act to local government elections, and appropriated some of the important provisions of the Municipal Corporation Acts and the Local Government Act of 1888, the status of the London vestries was not unduly enhanced by it. Vestrymen in some notorious districts still continued to hold their preliminary meetings in pothouses before going to the vestry hall; the ordeal of combat, with inkpots as missiles and handfuls of whiskers as trophies, was still employed on occasions in the settlement of weighty matters of local administration; and elective auditors still continued to overlook the camouflage possible in charges for "hire of steam roller." Such was the state of Local Government in London when in 1899 came the London Government Act of that year, which gave the *coup de grace* to bumbledom and beadleism, and at last placed the local administration of the Metropolitan districts on a level of some dignity and importance. By this Act vestries and district boards were swept away, and in their stead were created the 28 metropolitan, city and borough councils, each with a mayor at its

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head and a body of aldermen and councillors forming a corporation in perpetuity, with a statutory recognition allied to that accorded to the great municipal boroughs, and with its expenditure placed under the official audit system. The highest possible membership of a metropolitan borough council is 71. So ends my brief historical survey of the local government of London—50 B.C. to 1900 A.D.—one may say 2,000 years, and my audience may now adjudge the truth of my assertion of the tardy awakening of London to its own needs in the matter of self-government. I will now proceed to deal with present systems, and for the sake of continuity I will speak first of the local authorities.

The cities of London and Westminster and the 27 metropolitan boroughs are the sanitary and public health authorities of the metropolis. A description of the constitution, powers and duties of the Corporation of the City of London in the many special aspects peculiar to the City, cannot be included within the scope of this paper, but it is correct to say that in a general sense the Corporation takes its place with, or shall I say at the head of, the authorities created by the London Government Act of 1899. These bodies are primarily responsible for the local sewerage and private drainage systems, for the maintenance of roads, the lighting of streets, the collection and disposal of refuse, the health of the people, the quality of the food supply. Their administrative powers under the Metropolis Management Acts were supplemented by the two further series of legislative enactments dominated by the Public Health (London) Act, 1891, and the Food and Drugs Act, 1875. Through the Maternity and Child Welfare Act of 1918 they can assist at your birth; they can supplement your education by means of the Public Libraries Acts; they can keep you clean by virtue of the Baths and Washhouses Acts; they can bury you through the agency of the Burial Acts. They are the authorities for the valuation of properties for local rating, and for the making and collection of the rates; and through their chief officers they see that you get your franchise rights as citizens. In these principal, and in many other minor, matters they are practically the sole responsible authorities. As housing authorities, with far-reaching powers in their own districts under the Housing Acts in the clearance of slums and the supply of new houses, they have concurrent powers with the London County Council, as is also the case with regard to street improvements, and the provision of open spaces for the people. In the more intimate social life of the people they, through their Mayors, exercise a very personal interest. Their Mayors open bazaars, preside at baby shows and prize distributions, and often go, with their Aldermen and Councillors, to church! (We have all probably heard the little pleasantry about the Mayor who performed

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the extremely awkward physical feat of laying a foundation stone with his corporation behind him!) And now after 30 years of rule by the borough councils, it is an accepted fact that their creation did much to raise the standard of local government in London, to save from extinction the local autonomy of its different and differing areas, and to preserve on a high level the local patriotism of its people. In their period of life the budget of these authorities has risen from about four million pounds to more than treble that figure. Their areas range from the 405 acres of the smallest borough (Holborn) to the 9,107 acres of the largest (Wandsworth). Their total net annual value (including the City of London) is now over fifty-eight million pounds.

The London County Council, as I have already stated, was created by the Local Government Act of 1888. It was one of a series of county councils which the Act brought into being throughout the country, the administrative county of London being specially carved out of the counties of Kent, Middlesex and Surrey, and with a centralised code of powers and duties, carrying forward and enlarging those of the old Metropolitan Board of Works, created by the Metropolis Management Act of 1855, it quickly asserted its position as a central authority with large controlling rights and high executive functions in matters affecting London as a whole. The constitution of the London County Council is framed somewhat on the lines of the municipal boroughs, with a chairman (instead of a mayor), a vice-chairman, a deputy chairman, aldermen and councillors. London is divided into 61 electoral divisions each returning two councillors, except the City of London, which returns four members—124 councillors in all. There are twenty aldermen. Starting off with a rich heritage from its predecessor the Metropolitan Board of Works, and with other important powers previously operated by other authorities, the London County Council has waxed strong through the years, until its participation in a Londoner's affairs has become indeed wide and deep. Its legacy from the Board of Works included such weighty matters as main drainage and sewage disposal, buildings and building lines, street and area improvements, street nomenclature, parks and open spaces, fire prevention, Thames bridges and embankments. It became possessed of the powers of the Justices in Quarter Sessions in such matters as music and dancing licences, regulation of weights and measures, the provision and maintenance of asylums for pauper lunatics, reformatories and industrial schools, the provision of coroners' courts, and other administrative functions. The appointment of coroner, previously the privilege of the freeholders of London, also became vested in the county council. The progress of the county council since 1888 is very striking. From the germ of power contained in the old Tramways Act, 1870, it has developed into a tramway authority con-

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trolling 165 miles of tramways, carrying 714 millions of passengers in the year. From the first timid adventure of the Artizans' and Labourers' Dwellings Act of 1875, have grown the present powers of the county council as a housing authority under successive Housing Acts resulting in the erection by that council of 48,000 houses and flats for the working classes in London and miles beyond the confines of London, at a total cost, for clearance schemes and housing, including what may have been spent by their predecessors, of 34 million pounds, the annual inclusive rent roll being nearly two million pounds.

The Metropolitan Building Acts, small affairs passed during the years 1855 to 1882, were the forerunners of the London Building Act of 1894, which constituted the county council, through its own organisation and the District Surveyors, the supervising authority for buildings old and new within the county from the special view-points of safety and public amenities. Continuing its march of progress, in 1903 London's educational system came within its jurisdiction, by the demise of the old London School Board. By this transfer the London County Council became the education authority for the metropolis, and is to-day solely responsible for the education of over 650,000 children, in 1,200 schools, with a staff of approximately 20,000 teachers. After including such items as grants made to "aided" schools, the cost of training colleges for teachers and evening institutes, school medical service, scholarships, administration and debt charges, the total cost of London's education service is about 13 million pounds annually, of which about one-half falls upon the rates.

And now, piling Pelion on Ossa, as it were, comes the mighty achievement of the Local Government Act of 1929, which, with one grand gesture sweeps the metropolitan horizon, and, gathering up in its gargantuan grasp the 25 Boards of Guardians standing shivering on the precipice of extinction, deposits them like so many lilliputian pawns straight into the omnivorous portals of County Hall, taking with it, *en passant*, a mere *soufflé* as it were, the great organisation of the Metropolitan Asylums Board and its 60 hospitals, asylums, and other institutions. By this enactment, the London County Council become sole controller and director of the whole system of Poor Law relief (to be henceforth known as public assistance) and public institutional treatment, for the whole of London, responsible in this connection alone for an annual expenditure of 10 million pounds.

Speaking of the London County Council in relation to financial matters, it is the loan sanctioning authority for nearly all the capital operations of the borough councils, wisely enough lending on the strength of its own sanctions. The outstanding debt of the cities and boroughs of London to the county council is now approximately 18 million pounds. I may here observe that in 1888 the corresponding

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debt due to the Metropolitan Board of Works was about two million pounds. The London County Council obtains the funds for these capital transactions by the issue of public stock as authorised by its Money Acts; their gross debt to the public to-day is well over 100 million pounds; the gross debt of this nature of the Metropolitan Board of Works in 1888 was 28 million pounds. The last rate raised by the Metropolitan Board of Works for the year 1888 was 8½d. in the £ on a total rateable value of 31 million pounds; the rate required by the London County Council for the year 1930-31 was 7s. 2½d. in the £ on a total rateable value of over 54 million pounds. The last annual demand of the old Board of Works was for an amount not greatly exceeding one million pounds; the demand of the county council upon London for the year 1930-31 was nearly 20 million pounds.

One cannot in a paper dealing with the government of London omit mention of the powerful body responsible for London's water supply, the Metropolitan Water Board. This is composed of representatives appointed by the local authorities within the area of supply. It was created by the Metropolis Water Act of 1902, under which the private water supply companies then serving the metropolis were bought out, and the responsibility of providing London with an abundant supply of pure water was vested in the Board. The capacity of the Board's water storage is now twenty thousand million gallons, and the rateable value of its properties well over one million pounds. It draws its supplies from the Thames, the Lea, and the New River, and it serves an area of 574 square miles, with a population of seven millions.

Amongst the duties of the city and borough councils which I have already enumerated is that of street lighting. For the best part of its twenty centuries of existence London must have been a veritable tenebrose during the hours of darkness. Not until 1415 was any attempt made to light the streets, and then only by lanterns. Lamps were first used in London in 1681; gas in 1807; lighting by electricity within living memory. Many of the Metropolitan Borough Councils are now electricity undertakers, supplying electricity for public and private illumination. In the development during recent years of this system of lighting there is to be observed a matter of outstanding importance. Endeavours are now being made through the London and Home Counties Joint Electricity Authority, a body recently created, which, if successful, should revolutionise the lighting system of London. The scheme is one of co-ordination of existing undertakings, public and private, and thus to secure a plentiful and uniform supply at a lower and level price. This is a great promise, and one hopes it may be realised. The lighting of the streets of London is a

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highly important matter, at present managed in varying stages of efficiency. There are districts in the metropolis in which laudable attempts are made to meet modern demands in the matter of street lighting, but nevertheless still sadly wanting; while in other areas the treatment of this question is lamentably inadequate. The needs of to-day in this connection call for a bold and far-reaching policy. The traffic conditions of our time demand streets as well lit by night as by day; and not in spasms and patches, but in extensive flooding by artificial illuminant; and not only in main roads but in all roads. Here is a field of endeavour for the Joint Electricity Authority which it is hoped it will explore to the utmost, and so justify its entrance into the local government of London.

One more short reference, and this is to another aspect of my subject. It is a connection in which comes to one's mind the famous words of Abraham Lincoln: "Government of the people, by the people, for the people." Whatever may have been the past, and whatever may be the present, failings of London's local government, it shows in its inception a foundation of true democracy upon which has been reared a structure of progressive strength and magnitude. And only because of this has it been found possible to deal successfully with the many problems which have arisen, and especially those of recent years. Particularly is this principle exemplified in the new system of conference and consultation which now obtains in the consideration of local government matters in the metropolis—a system which London, I think, owes in the first place, to the responsive attitude adopted by Ministers of the Crown towards local governing bodies in recent times, and to the friendly spirit of co-operation which now exists between civil servants and local government officials. I would instance the practice now followed by government departments of submitting in draft form to the local government authorities any legislative proposals of importance affecting local government before introducing them in Parliament, whereby perhaps after a long series of conferences between a Minister and local representatives, and many discussions between officials, a measure of first rank is submitted to the legislature in a more or less agreed form. I think it would not be out of place for me to touch for a moment on the relations between the Minister of Health and the Minister of Transport and their respective departments on the one hand, and the local authorities and their officers, on the other. These two departments of the government are intimately associated with the work of the local authorities, financially, administratively and technically; their doors are ever open and their officials accessible to the local authorities and their officers, and there is no doubt that the good government of London is enormously facilitated by this free and friendly collaboration. In most important

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Acts of Parliament; especially those introducing new systems of administration, power is taken by a Minister to remove difficulties and solve differences; and though this system has been attacked of late in high legal quarters as unduly bureaucratic, yet we who know its value must subscribe to its usefulness. In the same connection, we note the many conferences and consultations which take place between the London County Council and the borough councils, and meetings between the respective officials, in which much good work is done out of session, as it were. A Chairman of Committee of the London County Council is an important person, entrusted to a large extent with powers of direction and agreement in the business of his Committee, and much real solid work is accomplished in half-an-hour in the Chairman's room. Again, within recent years, there has come into being a consultative body representing the borough councils, known as the Metropolitan Boroughs Standing Joint Committee, which meets monthly in this very hall. It is composed of representatives appointed by the Metropolitan Borough Councils; it deals extensively with matters of general policy in which the boroughs as a whole are interested, and has come to be regarded by the Government and by the London County Council as speaking with the voice of the boroughs. And I should be doing an injustice to a body of respectable and worthy men were I to omit reference to the Association of Metropolitan Town Clerks, whose meetings in this hall coincide with the meetings of the Standing Joint Committee, who make constant reference to them for advice and assistance in matters involving questions of administration.

And so it may be seen how the government of London is carried on: first by a complex and extensive series of Acts of Parliament—the official Charters of the Metropolitan Authorities and their officials, with, as a valuable adjunct, an unwritten constitution whereby they meet around the table—the best of all places for the settlement of difficulties and differences—and there evolve the *modus vivendi*.

And in conclusion, to all Londoners, whether by birth or adoption, and to all engaged in the government of London, I would say: Guard you well your heritage and your charge. For what Londoner can look upon London and not love it? London! the mightiest and greatest city in the world, with its teeming millions, its immensity, its beauty! How we feel the throb of its life, the pulse-beats of its heart! How we delight in its pleasure and its gaieties, its river, its bridges, its buildings, its boulevards and parks! How we puzzle over its problems—its poverty, its slums, its sorrows! To preserve and surmount its loveliness and influence; to redeem its faults, and ennoble its reputation amongst the peoples of the world; these are our tasks, we Londoners who work for London! Let us see to it that our task, so often in us lies, fails not of accomplishment.

The Absorption of the Work of the Poor Law Authorities in London by the London County Council

By W. H. WADDINGTON

THE theory of public administration is a fascinating subject, and the columns of the Journal have included many valuable contributions to its study. The profound changes in local government throughout the country necessitated by the Local Government Act of 1929 have put to a severe practical test the capacity of administrators, and it may be of interest to readers of the Journal to have the following plain unvarnished tale of the manner in which the London County Council solved the great administrative problem of absorbing on 1st April, 1930, the work in relation to Poor Law, which up to the preceding day was carried out by the Metropolitan Asylums Board, 25 Boards of Guardians, and 4 Boards of Managers of school districts.

The magnitude of this problem will be realised when it is stated that the London County Council became responsible for the work performed by some 30 authorities, including the administration of 140 hospitals, schools and other institutions, with 75,000 beds as well as the provision of relief for about 180,000 persons, the expenditure on the transferred services being more than £11,000,000 a year. The number of elected or co-opted Guardians and other members displaced by the Act was about 740, and these were assisted in many capacities by large numbers of voluntary workers. The staff transferred to the council's service numbered in all more than 26,000.

The task laid upon the council differed substantially from that undertaken when in 1904 it became the local education authority for London. In that year the School Board for London was abolished and the onerous responsibility of administering the London education service devolved upon the council. On that occasion, however, the council took over the work of one large authority with its head office and local staff already organised, and although changes in organisa-

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tion were found desirable in order that this great service might be dealt with in accordance with the council's general principles of administration, the problem of absorption was not comparable with that which in 1929 confronted the council in taking over the work of some thirty separate authorities. Fortunately, good notice had been given of the intentions of His Majesty's Government as the Minister of Health issued in June, 1928, a White Paper (Cmd. 3134) containing proposals for reform in local government and in the financial relations between the Exchequer and local authorities, and invited the views and co-operation of the authorities in securing the adoption of the best possible scheme on the lines laid down in the White Paper.

A Special Committee appointed by the council in 1925 had already investigated preliminary proposals, and the council at once addressed itself to setting up machinery not only for considering the changes proposed by the Government, but also any legislation promoted to carry these changes into effect. The proposed changes affected the work of many committees of the council, and in July, 1928, the council appointed a new special committee of 17 members (in addition to the chairman, vice-chairman and deputy chairman of the council *ex-officio*), and entrusted them with the duties above indicated to the exclusion of all other committees of the council except the Finance Committee. Sir Cyril Cobb was appointed Chairman, and Mr. R. C. Norman, Vice-Chairman, of the Committee. Continuity of policy not only in relation to the Government's proposals, but to the legislation to give effect to them was thus secured, and the delays and difficulties which would have resulted from the consideration of the various aspects of the proposals by the committees normally concerned were avoided.

By November, 1928, after investigation and conference with the Ministry of Health, the Special Committee were able to submit a comprehensive report upon the Government's proposals. They intimated that they had made a preliminary survey of the functions which would devolve upon the council under the intended Act in order to ascertain how far such functions could be absorbed in or grafted on to the council's organisation, and that there should be no insuperable difficulty in adapting and supplementing the existing organisation and machinery so as to enable the council to undertake the new duties. On their recommendation the council resolved, subject to assurances being received that satisfactory financial arrangements would be made to safeguard the position of London in connection with the new system of Exchequer grants and to a settlement of certain administrative points, to accept the scheme of reform outlined in the White Paper.

One of the points emphasised by the Special Committee and

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endorsed by the council was that the council should have the largest possible measure of freedom in distributing transferred work between its committees. It was urged that the difficulties attending the statutory reference to a committee of a subject which was only a component part of a larger subject were such that the setting up of new statutory committees would create an intolerable administrative position. Further powers to enable the council to delegate or transfer powers and duties to all the metropolitan borough councils were also advocated with a view to affording a measure of relief to the council after it had undertaken the heavy additional burden of Poor Law functions.

The Local Government Bill was introduced on 12th November, 1928, and read a second time in the House of Commons on 28th November. The exhaustive consideration which the Special Committee had already given to the subject enabled them to report fully on the Bill in December, when the council accepted its main principles.

As is well known the Bill was exceptionally voluminous and complicated, and the examination of its provisions, negotiations with the Ministry thereon, and the formulation of amendments to meet the special conditions of London made great demands upon the Special Committee and the council's officers. The Bill received Royal Assent on 27th March, 1929, and the Special Committee at once proceeded with the preparation, as required by the Act, of a scheme of administrative arrangements for London. This involved the investigation of work with which the council was unfamiliar, its classification and distribution among the appropriate committees of the council and the elaboration of machinery to carry on the manifold activities of the disappearing authorities. The scheme was adopted by the council in July, 1929, and with slight verbal amendments, was approved by the Minister of Health on 30th October of that year.

During the preparation of the scheme, the Special Committee, in common with the executive committees concerned, explored as far as possible, many of the problems calling for decision before the appointed day, 1st April, 1930. These included (1) the setting up of the new or reconstituted committees and sub-committees provided for in the scheme, including the selection of the persons other than members of the council to be co-opted to serve on such committees and sub-committees; and (2) the adaptation of the council's official organisation so as to absorb the new duties.

In relation to (1) a fundamental feature of the scheme was the allocation to appropriate committees of the council of the transferred functions in accordance with the system under which the work of the council was already organised. As regards the council's alternative

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powers of rendering assistance, it was only found practicable to make a declaration at once, removing from the Poor Law the service of rendering domiciliary assistance to blind persons, but the scheme expressed the intention of the council, as soon as circumstances permitted, of utilising its powers under the Local Government Act, 1888 (as extended by the Act of 1929), the Mental Deficiency Act, 1913, the Blind Persons Act, 1920, the Public Health (Tuberculosis) Act, 1921, and the Education Act, 1921, so as to provide assistance under these Acts instead of by way of relief under the Poor Law. The scheme therefore pointed clearly in the direction of what is generally known as "the break up of the Poor Law." In consonance with this policy the transferred functions, so far as they related to the maintenance and treatment of the sick in hospitals (including the ambulance services), were referred to an enlarged Public Health Committee designated "The Central Public Health Committee," the Mental Hospitals Committee as constituted under statute, was given the transferred work incidental to mental hospitals, and the Education Committee as already constituted by scheme was charged with the transferred duties relating to schools education, boarding-out and apprenticeship. The Committee on the Welfare of the Blind appointed under the Blind Persons Act, took over the transferred functions incidental to the welfare of blind persons, while other ancillary duties were referred to appropriate committees such as stores and supplies to the Stores, &c., Contracts Committees, Central Administrative Staff to the Establishment Committee, superannuation and other matters to the General Purposes Committee. These remained the great volume of work relating to the supply of relief in money or in kind, domiciliary medical relief, the setting to work of able-bodied persons granted outdoor relief, and the management of what are commonly known as "The Institutions." This, together with other public assistance functions of a general nature, was referred to a new large committee provided for in the Local Government Act, 1929, and designated the Public Assistance Committee.

The personnel of the council being limited, it was obvious that in order to provide members for the new and enlarged committees required by the scheme, a revision of the whole system of committee organisation was required, and this was undertaken by the General Purposes Committee simultaneously with the preparation of the administrative scheme. On their recommendation the council decided to reduce the number of members of existing committees, and overhauled its standing orders and orders of reference to committees generally in preparation for the new burden of work.

There remained the great task of setting up the new Public Assistance Committee and Central Public Health Committee, with their

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numerous central and local committees and sub-committees and visiting sub-committees, the delimitation of their respective powers and duties, and the selection of the necessary personnel. The main committees were constituted in November, 1929, and at once got to work. There was not lacking a large number of enthusiastic and public spirited persons, both men and women willing to serve as co-opted members, including a large number of Guardians, and before the appointed day not only was the committee machinery ready for the transferred work, but a large number of questions pressing for solution before that date had been dealt with.

Coming now to the second main problem, viz., the adaptation of official machinery to absorb the new duties, the council proceeded on the basis that its existing system of division of work between departments, built up as the result of experience, should be maintained with the necessary strengthening and adaptation to include the new duties. It was evident that the transfer to the council of 81 hospitals, having about 38,500 beds and with a staff of about 16,500, would involve an entire reorganisation of the Public Health Department. This was undertaken in stages, the first being to obtain as the result of public advertisement three principal assistant medical officers, each of whom would take charge of an appropriate division of the work of the department, and a matron-in-chief. These officers took up their duties in October, 1929, and were thus available under the Chief Medical Officer, to study and advise on the problems involved by the transfer and necessary arrangements. At a later stage, viz., in December, 1929, the council tentatively dealt with the subordinate staffing of the department.

For the work devolving on the Public Assistance Committee it was necessary to create an entirely new department and the first step was to appoint a chief officer and chief assistant. By arrangement with the Metropolitan Asylums Board, the Clerk of the Board undertook from 1st October, 1929, the duties of chief officer pending his transfer to the council's service, while the second assistant selected after public advertisement took up his duties on 1st November, 1929. The administrative scheme provided for the public assistance work to be performed in 10 administrative areas, and these officers at once addressed themselves to setting up the necessary organisation.

The staffing of other departments was reviewed so as to enable them to cope with the increased work, the engineering maintenance, for instance, being added to the department of the Chief Engineer, the accountancy work to that of the Comptroller of the council, the architectural work to that of the council's architect and the work connected with supplies to that of the Chief Officer of Supplies.

With the approach of the appointed day it was necessary to

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elaborate the duties to be performed by the transferred staff. While it was essential that there should be no break in continuity which would imperil the arrangements for relief, the staff employed by thirty authorities under an entirely different system had to be divided among the several departments of the council and instructed as to the work to be performed under the council's system of administration. Questions of extreme complexity in relation to the superannuation of transferred staff had to be solved, while their varying scales of pay and conditions of service necessitated interim arrangements fraught with great difficulties until standard scales and conditions could be evolved. An interdepartmental committee was set up for the selection of personnel, every possible assistance being rendered by the Clerks of the Poor Law authorities. The allocation to the new duties of staff trained under the council's system imposed a great strain in the departments concerned, many of which were already experiencing difficulties owing to the development of the council's normal activities, but with the co-operation of the Poor Law authorities who released in advance of the appointed day staff to fill up to some extent the measure of depletion, it was found possible to carry on though at the price of great personal sacrifice on the part of the staff. It was not without anxiety that the appointed day arrived but the transfer was effected with remarkable smoothness considering all the circumstances.

The task of absorbing these new functions which devolved upon the London County Council was of course entirely different from that of other county councils. The problem of the former was to devise suitable administrative machinery for an area comprising a population of $4\frac{1}{2}$ millions concentrated in 117 square miles of territory. The problem of the latter was in relation to much larger areas comprising non-county boroughs and urban and rural districts. In essence the problem of the London County Council was that of a large county borough magnified many times owing to the huge population to be served and complicated by the large number of authorities with areas differing in size and character whose duties and staffs were transferred. I venture to suggest that articles describing how the task was accomplished by a county council with a wide area and by a large county borough would stimulate interest in the local government side of public administration.

Recent Developments in German Public Finance,¹ with Particular Reference to the Communes

By Miss MAY L. DHONAU, B.A.

UNSATISFACTORY as the results of the Hague Conference, 1929, were felt in many respects to be, it was yet hoped in Germany that the acceptance of the Young Plan would lead to decreased taxation and contribute to trade recovery. Even before the final ratification of the Plan by the Reichstag it had become evident, however, that this would not be the case. All hope of taxation relief was defeated by the Wall Street crash with its attendant reactions on the German industrial situation, so that the Government was faced with a deficit of 891 million Reichsmarks, 651 millions of which were due to increased expenditure (mainly on social services), 240 millions to decreased revenue. The sum of about 593·3 millions freed by the Young Plan for 1930 (443·3 millions from taxation, 150 millions from the industrial levy) was thus immediately engulfed in the deficit on the 1929 budget, still leaving a net deficit of 297·7 millions. During the current year the industrial depression has further increased, so that the government has been faced not only with a deficit on the 1929 budget but also with increased expenditure on unemployment relief and a falling yield from taxation. The Müller cabinet, which attempted to remedy the situation mainly by increased taxation, has been replaced by one whose avowed aim is to cut down expenditure and decrease taxation. The salaries of public servants have been diminished by 6 per cent. and Unemployment Insurance and Crisis Relief have been reorganised. Under both heads, however, curtailment of expenditure and taxation relief, the main reforms have been carried out at the expense of the communes. Two emergency ordinances have been passed, both of which are of importance for the communes, the second indeed being little other than revolutionary.

The first of these ordinances—called the "Ordinance of the President of the Reich for the relief of financial, economic and social

¹The reader is referred to the author's article on "Local Government Finance in Germany," which appeared in PUBLIC ADMINISTRATION, October, 1930.—EDITOR.

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needs"—which was issued on the 26th July, contains the following provisions.

The Communes are authorised and in certain cases obliged to levy a duty on the local consumption of beer or a poll tax or both. The beer tax is to be raised from persons who sell beer for consumption or from such as import it into the commune. The tax is rated not according to price or value (though this was possible under the old Financial Adjustment Law) but according to the amount consumed, and varies according to alcoholic content from 2.50 RM. to 7.50 RM. per hectolitre. It can thus be passed on to the consumer in the price and is a real "consumption" tax. Further, where the Welfare Services of any commune are particularly heavy, a supplementary tax may be raised, with the permission of the state supervisory authority, on wine, mineral waters and other "artificially prepared" drinks, also on cocoa, coffee, tea and other drinks. This tax is to be levied simply on drinks consumed at the place of preparation, *i.e.*, in restaurants, cafés and so on.

The poll tax (Bürgersteuer) is to be levied from all inhabitants of a commune who are over 20 years of age. Exempt are persons who have been in receipt of public assistance (local) or of Crisis Relief (Reich unemployment benefit on a non-contributory basis) within one month of the appointed day, this being for 1930 the 10th October. The Reich Minister of Finance may, with the permission of the Reichsrat, exempt further classes. The height of the tax is to be determined by the Lands but it must at least reach the Reich minimum and adhere to the Reich scale of graduation. The Reich scale is as follows:—

For persons with income—

Up to 8,000 RM.	...	...	...	at least 6 RM.
From 8,000—25,000 RM.	...	...	...	12 RM.
" 25,000—50,000 RM.	...	...	...	50 RM.
" 50,000—100,000 RM.	...	...	...	100 RM.
" 100,000—200,000 RM.	...	...	...	200 RM.
" 200,000—500,000 RM.	...	...	...	500 RM.
Over 500,000 RM.	...	...	...	1,000 RM.

Persons who are exempt from the income tax are to pay one-half the rate on incomes not exceeding 8,000 RM., while wives not permanently separated from their husbands have to pay one-half the rate levied on the husband on the basis of their joint incomes. That is to say, husband and wife are jointly responsible for paying $1\frac{1}{2}$ times the rate levied on a single person of the same income. This seems somewhat hard on married persons but it is offset by the special tax on bachelors.

The conditions governing the compulsory raising of either beer

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or poll tax are most complicated. If the communal land or trade tax is raised in a supplementary budget after the 1st August, 1930, above the rates decided upon before that date for 1930, then a beer or poll tax must be levied. There is nothing to say that the land or trade taxes may not be raised above the 1929 level, but the rates prevailing on 1st August are to be taken as normal. For the financial year 1931 and until the introduction of the Reich law regulating the basis of the local real taxes, a beer or poll tax must be levied if after the 1st August the communal additions to land or trade taxes are raised above the rates prevailing on that date, while *both* taxes must be levied if the communal land or trade tax exceeds the average for the whole Land. Further, additions to the basic rates for both taxes must be levied in proportion to the amounts by which the communal land or trade taxes exceed the average for the Land.

County Circles were formerly authorised to levy a beer tax and may still maintain their old taxes except where a commune introduces a beer tax or re-casts one to comply with the new regulations. In this case the Circle may not levy a beer tax in that particular commune. This provision is not, however, of such importance as at first appears to be the case, since Circles may claim a portion of the indirect taxes of the non circle-free communes where this is necessary. Their action in this respect is largely determined by whether they maintain the administration of public assistance in their own hands or delegate this service to the communes.

These reforms are not statutory and would probably never have passed the Reichstag, where there would have been at least considerable opposition to the poll tax on the ground that it is a "Massensteuer" or a tax falling relatively hardest on the poorer classes. The measures are not really revolutionary except in so far as under special circumstances one or other of the taxes (or both for 1931) is made compulsory. The linking of certain taxes together is an old practice. The Reich determines when either tax shall be compulsory; it determines the scale of the beer tax and the basic scale for the poll tax; it enumerates the classes of persons to be taxed and those exempt. The Lands are left free only in determining the actual rates of the poll tax while the communes have no say in the matter at all.

The Emergency Ordinance of 1st December, 1930, is much more far-reaching in its provisions and to a certain extent already supersedes that of the 26th July.

In future persons in receipt of unemployment insurance benefit and recipients of benefit under the invalidity and social insurance acts are also to be exempt from the poll tax, which is in addition to be more steeply graded. The government intends to include the poll tax in the Financial Adjustment Law which should come into opera-

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tion on the 1st April, 1932. It is thus looked upon as permanent. The earlier ordinance did not make it impossible for the communal additions to the land and trade taxes to exceed the 1930 level. Indeed, by a little judicious manipulation it would still have been possible to increase them without thereby becoming liable to levy a beer or poll tax. The new ordinance forbids any increase in these taxes above the 1930 rates, yet on the other hand authorises the communes to make unlimited additions to the basic rates of the poll tax and additions up to 100 per cent. on the basic rate for the beer tax. The supplementary tax on wine and other drinks is to be abolished from the 1st April, 1932. Not only may the additional percentages levied by the communes on the land and trade taxes for 1931 not exceed those for 1930 but the basic rates for these taxes (determined by the Lands) must be lowered, the trade tax by 20 per cent. and the land tax by 10 per cent. Where according to the law of the land the house rents tax may be recovered from the tenants the 10 per cent. decrease in the land tax may be replaced by a 3 per cent. decrease in the house rents tax, while rents will remain the same. Thus not only the business community but also the landlords are to receive relief under the new ordinance. The deficit left by this decrease in the local real taxes is to be covered by the diversion of 50 per cent. of the housing quota of the house rents tax, which is to be placed to general revenues account. In Lands where the housing shortage is particularly severe only one-third of the housing quota need be withdrawn for this purpose and the trade tax need only be lowered where it exceeds the average for the Land. In future the whole of the sum allocated from the house rents tax for housing purposes is in general to be distributed by the highest local authority. At the most one-half of this sum may be handed to the communes for distribution. The Housing Shortage Law is to go out of force from the 1st April, 1934, while the Rent Restriction and Tenants' Protection Acts will expire on the 1st April, 1936. How the housing shortage is to be met from the depleted public funds until 1936 is not stated. Presumably it will not be met.

Not only are communal taxes to be restricted but expenditure is also to be curtailed. The "ordinary" expenditure may until further notice not exceed that of 1931; the same applies to the "extraordinary" expenditure, or that financed from loans. Thus is extended the Reich regulation of communal borrowing initiated with the formation of the Reich Advice Bureau for foreign loans some years ago. Exceptions are permissible under special circumstances, when additional expenditure on welfare services is unavoidable and cannot be covered from economies in other departments. From the 1st April, 1932, both beer and poll taxes will be compulsory and will

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be co-ordinated with the local real taxes. The Reich income tax is to be reduced and the communes are to be granted the right of raising additional percentages thereon.

The beer tax is thus no longer to be fixed in amount by the Reich or the poll tax by the Lands. The central bodies are responsible simply for determining the basic rates; to the beer tax additions are permissible up to 100 per cent. of the basic rates while unlimited additions may be made to the poll tax. This does not affect the provisions of the earlier ordinance making additions compulsory under certain conditions. From the 1st April, 1932, however, both taxes are to be universally compulsory but the tax on wine and other drinks is to be abolished.

The extension of the principle of additional percentages raised on taxes centrally determined affords a certain increase in local freedom but this advantage is largely nullified by the regulations limiting taxation and expenditure and the raising of loans. The attempt to co-ordinate the height of the beer and poll taxes with that of the local real taxes is a reversion to an old principle, yet, whereas the aim was formerly to decrease the personal taxes, it is now intended to relieve the local real taxes. Never before have expenditure and revenue, whether from taxation or loans, been definitely limited in amount. The reforms of 1st December may be a certain concession to the demands of the communes in that they extend the right of raising additional percentages—in particular to the Reich income tax—but they are largely a concession to the demands of the business community for economy in the public services and the lowering of the real taxes.

An analysis of the Reich budget as drawn up at the beginning of the financial year 1930 shows that of the total uncovered expenditure, 27 per cent. is on war pensions and other pensions, 16 per cent. on debt services, 11 per cent. army and navy, 23 per cent. "internal and external war charges" (1,157.7 million RM. out of a total of some 1,475 million RM. being accounted for by reparations), 1 per cent. foreign and consular services, 22 per cent. internal administration. It was thus only in the sphere of internal administration that any considerable economies could be made, since the other main charges are fixed. The Reich Ministry of Labour accounted for 1,183.4 million RM. out of a total expenditure of 1,814.7 million RM. under this head. Here then was the vulnerable spot, as actual administrative economies could produce not more than about 100 million RM. (Dietrich's estimate) and here reform has been carried through. Since, however, local authorities are legally responsible for assisting every necessitous person in Germany, any tightening up of unemployment insurance and crisis relief at a time of trade depression

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automatically increases local expenditure on welfare. Local authorities may not increase their total expenditure after 1931, so that unless conditions improve by then, other services will have to be curtailed. In addition certain taxes have already in 1930 to be lowered. Other sources of revenue have been granted but in the main the deficit is to be met out of funds hitherto allocated to housing. The Ordinance in fact spells the mutilation if not the complete demise of the communal housing services.

These are the measures of a government which believes that increased direct taxation will result in decreased revenue, and that only by decreasing taxation can Germany build up her depleted capital reserves. This is a subject which cannot be discussed here. Certain comments are, however, pertinent. The financial freedom of the German local authorities is temporarily at least entirely gone. The Ordinance of 1st December ends a chapter of remarkable achievement. That this should come about is due to the financial difficulties of the Reich, occasioned in the main by the payment of reparations and the industrial depression consequent on the Wall Street crash.

Local Finance—Some Suggestions in Rural Areas of South India

By M. K. MUNISWAMI AIYAR, M.A., B.L.

HISTORICAL.

LOCAL self-government in British India has been evolved by a process of administrative devolution of powers by the Central Government in favour of the Provincial Governments and by the Provincial Governments in turn in favour of local bodies. Prior to 1882, there was nothing in the way of local self-governing institutions in rural areas of South India, except in places where the ancient village Panchayats, or Caste Panchayats, survived.

It is the resolution of 1882, issued by the Government of India, that lays down certain principles on which the evolution of local self-government in India should proceed. One was that the smallest administrative unit, the taluk, should form the maximum area, to be placed under a local board. In other words, the jurisdiction of the local boards must be so limited in area as to ensure both local knowledge and interest on the part of each of the members.

It was decided subsequently by the Government of India, that local bodies should come into existence in each tahril, not as independent bodies, but as local sub-committees of a central organisation, the district board.

It was justly apprehended that men of sufficient knowledge, public spirit, and character, would not be available in taluk stations, and hence all responsibility was centred in the district board.

The Decentralisation Commission of 1909 pointed out that the district boards had practically become a department of the Government, an opinion echoed in the Chelmsford Report of 1918, which admitted that "the broad fact remains, that in the space of twenty years, the progress in developing a genuine local self-government has been inadequate in the greater part of India."

Even before the Reforms, both the Local Boards Act and subject District Municipalities Act, had been discussed. When after taxation

auction-

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Reforms these local institutions began to function they were hailed by a large section of the public as a valuable agency for the political training of Indians and the socio-economic reconstruction of the country.

But from the first there were certain factors which militated against their genuine success. For one thing, the areas under the jurisdiction of the district boards were unwieldy and unequal in different parts of the country. In Bengal, the success that has attended the efforts of district boards has been through a process of gradual delegation of process to union boards. Lord Ronaldshay has appropriately pointed out that the constitution of further and smaller tax jurisdictions like union boards and Panchayats is essential for the success of district boards in Bengal. Again, during the post-Reform period, the local bodies were deprived of the assistance of the revenue and other staffs of the Government. (India in 1924-25.)

The increase of prices, rendered the Provincial Government unable to give them substantial grants in aid. The value of grants in aid cannot be ascertained. In England the system of Exchequer grants for specific services has been an important reason for the prosperity of local bodies. As Dr. Gibbon has rightly pointed out, such grants are based on the principle that local bodies are semi-national institutions, and are specially marked in the case of police, education, roads, in the newer services of public health and in the special post-war grants for housing and small holdings.

But the chief handicap from which Indian local bodies are suffering is due to the fact that their tax resources are far from adequate. The profession tax, levied with indifferent success by the union boards, may well be replaced by either (1) an addition to income tax, or (2) a local income tax from persons earning between rupees 300 to rupees 2,000. But the money thus collected ought as far as possible be spent in the local areas.

In Germany, local additions to income tax in towns and country communes, are their largest source of income. In India, as it is, the ryot alone pays the bulk of the local taxation. Until recently professional classes paid no taxes, and even to-day the amount collected by them by way of profession tax is negligible. Railways, factories, rice-mills, practically escape scot-free.

It may therefore be interesting to know how a local income tax is levied and collected in Germany. In Germany communes may tax in regard to their additional hundredths incomes below the maximum fixed by the State income tax. State officers make the assessment. The tax is graduated and is paid by those who reside in the communes three months or more, and also by those who do not reside but property or business, and by companies, including State public

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utility companies. To make the assessment thorough, house owners are bound to report the names of those living in their houses, and employers must report the names of those with incomes not exceeding a fixed sum. To deal with difficulties that may arise, there is a detailed code of rules, and, in addition, there is a close supervision of property and other sources of revenue (Dawson, "Municipal Life in Germany") combined with a system of registration of property.

Now one point in favour of a local income tax is that it prevents people crowding together in particular areas. The German system is based on the principle of taxing at the destination of income. To transplant this system is not easy in countries like Great Britain with an income tax based on the principle of collection at source, the main objection to a local income tax lying in the fact that it is difficult to localise income, especially in the case of commercial people. In case a local addition to income tax is to be levied, the income tax establishment must undertake the task for a commission. Just as in the case of union boards, there are rules empowering the presidents to use village officers, instead of a separate agency, to collect their taxes. Land-cess, at present forms the mainstay of the finance of rural boards. The Taxation Enquiry Committee has pointed out that as recommendations have been made for the standardisation of the rates of land revenue at a comparatively low rate, the existing maximum on the local cess can be removed, or that the rates be raised to at least $6\frac{1}{4}$ per cent. of the annual value which is the rate collected by local boards in Bengal, Bihar and Orissa.

Until this recommendation is given effect to, I would recommend the following changes in the administration and collection of cess. At present the cess bears a definite proportion to annual rental value of the land, and the Madras Local Boards Act has defined what annual value is. In Ryot areas it means the assessment payable to Government together with water rate charged for its irrigation. In Imam lands, it means its full assessment, if it was not Imam. In Zamindari lands it is the rent paid by the ryot to the Zemindar. The defect of the cess is that it is not graduated. At present the tenant pays half and the Zemindar pays half of the cess amount. I would recommend that the rate on Zemindars be doubled, and that a higher rate may be imposed on cultivators paying an assessment of Rs. 100, the rates rising progressively on assessments of Rs. 200, 300, 400, and so forth. These two suggestions will not materially add to the cost of collection.

Taxes on sales are sometimes recommended as a suitable subject of local taxation. In Burma the largest item of municipal taxation is taken indirectly in the shape of a tax on sales, through the auctioning of the use of stalls in municipal markets.

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Now there are three ways in which such a tax on sales may be levied:—

- (1) As a tax on all transactions it may be levied.
- (2) As a tax on wholesale transactions only.
- (3) As a tax on retail sales.

For tax on wholesale transactions the condition would be to register and license all persons conducting sales of the former kind, to require them to keep accounts. Now what would be affected by a tax of this type would be only the consumption of the consumers of goods, sold by wholesale within the local area, whether resident in it or not, while the consumption of the inhabitants of the local area of goods not sold wholesale would escape. "A retailer cannot in India tell what his turnover was, and even if he could be presumed competent to compile an accurate return for purposes of this tax, the means by which his return could be checked or verified would be entirely lacking." (Taxation Enquiry Committee Report, Vol. II, p. 277.)

It has been suggested that by a system of licences virtually on sales, tax can be suggested. Unfortunately, this suggestion has not been acted upon by local bodies in South India. In the case of the larger traders, if they rendered accounts, a certain amount may be deducted. The licence might be quarterly or half-yearly, with the option to make it monthly in the case of persons trading in the locality only for temporary periods.

The Registrar-General of Panchayats, in his evidence before the Taxation Enquiry Committee, has advocated that Panchayats might well explore the possibilities of a retail sales tax. This may, however, be possible only in select villages, or at times of fairs.

For a long time in the nineteenth century a tax on imports of produce in villages was prevalent in many parts of South India, and was an item of contribution to the ancient village fund.

Two fertile sources of income for local bodies in future would be through (1) licence fees from motor vehicles; (2) by the local bodies themselves undertaking bus services, *e.g.*, as in Tanjore and Ranmed Districts.

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The powers of taxation vested in these bodies are in some places permissive, and in some cases obligatory. The Madras Act gives the option to a Panchayat to choose any tax, out of many, which are specified. The Bombay Act, on the other hand, lays down that in every village a house tax shall be levied. In Mysore the optional principle is followed, in that the taxpayer is given the choice to commute the payment into a contribution of labour not exceeding 18 days.

Several suggestions have been made to add to the sources of

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Panchayats, in Madras, since they came into existence under the Act of 1920 (1) division of the proceeds of land revenue; (2) utilisation of land cess by the Panchayat; (3) conservation of communal income; (4) mobilisation of communal labour; (5) assignment of certain heads of revenue.

The Decentralisation Commission, and subsequently the Government of India, have suggested that a portion of the land cess collected by the local bodies may be made over to the Panchayat. We hope this suggestion will be carried into effect in the forthcoming Panchayat Act in Madras.

The suggestion of series of conferences of the Panchayats that a portion of the proceeds of land revenue must be earmarked for Panchayats is, I submit, open to criticism.

(1) If the division of land revenue is going to be according to population the richer villages would be getting more than they require.

(2) Again, there is no guarantee that the amount will be wisely spent.

If Panchayats are to fully exploit the resources of their locality, it is unnecessary to retain artificial agencies such as village unions, sanitary committees, as in Bombay. The existence of numerous local organisations in the same area explains the backwardness of Bombay in the development of Panchayats.

In America special assessments are becoming a conspicuous feature of local taxation. For a public improvement that distinctly enhances the value of property, it cannot be unfair to bear a share of the burden of that improvement. All local boards are not equal in the matter of their tax resources. The provincial legislative may well content itself by describing their general field of taxation, leaving them free to experiment in any particular direction. But this "local option in taxation" may be carried to an extreme. Local bodies must not be allowed to imperil the interests of the Provincial Government or of business through their application of taxing power.

Again, such experiments in local taxation ought not to jeopardise the rights of non-residents. Low taxation of property and income may easily operate as an attraction in one locality in preference to another.

Grants in aid of local bodies' expenditure are not substantial.

1926-27.	Salem District Board ...	25%
Percentage of Government Grant to Ordinary Expenditure.	Kistna ...	27%
	Medina ...	28%

(See Appendix A for grants in aid in other countries.)

In England grants in aid of the resources of local bodies are far more substantial. Possibly the dictum of the Financial Relations

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Committee (Madras) of 1920 that "No grants should be sanctioned except on a clear understanding that the Government are at liberty to reduce or withdraw them if the services for which they are intended are not efficiently administered is responsible for this policy. Now it is upon the development of the sense of local responsibility that local government primarily depends. I would therefore urge a more generous distribution of grants in aid by the Provincial Government. The American system of local finance is one of complete administrative decentralisation made good by a system of legislative centralisation to the most minute details. In that country, therefore, grants in aid do not mean that State authorities can impose conditions on the city authorities.

As things stand a satisfactory instance of government grants is to be found in the case of Panchayat schools. In the case of these schools the Government pays a maximum salary of Rs. 15 per teacher and an initial equipment grant of Rs. 80 per school. The Panchayat provides accommodation and meets all other expenditure.

The official report on the working of Panchayats for 1926-27 points out "the experience of these schools has been more than encouraging and furnishes not a little justification for the hope entertained that along the lines of these schools may be the correct solution of the twin problems of the proper authority for managing public elementary schools, and of the equitable distribution of the financial burden of elementary education."

The method of granting aid now in favour is on the basis of a proportion of the expenditure for specific purposes. Certain publicists have suggested another method of distributing grants. According to this method grants would be fixed sums, bearing some relation to the revenue-paying capacity of the population and given without those conditions which sometimes at present have a mischievous effect on the financial judgment of local authorities, and tempt them to embark on extravagant schemes. This method is however open to criticism, for it may be urged that this method of administration of grants in aid may hamper the development of backward districts.

CONCLUSION.

In all schemes of local taxation there ought to be a certain amount of caution. Difficulties may arise as a result of local taxes like surcharges on liquor, sold in the village shop; import and export duties on articles despatched from or received in the village; taxes on income and other personal taxes. Again, it must be remembered that though local authorities ought not to be dependent on provincial doles between reduced local taxation and social benefits or amenities, the taxpayer in India will prefer the former.

Problems Associated with the Development of Administrators, and the Training of Staff

By F. B. LEE

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[Winning Essay (Members' Division) in the Sir George Murray Competition organised by the South Australian Regional Group of the Institute of Public Administration]

PROBLEMS of Administration confront each branch of the Public Service, but having regard to the nature of the association which citizens have with revenue departments it is not inaccurate to classify taxing departments as ones which demand administrators possessing special ability, and staff equipped with more than ordinary training.

To secure administrators, and to obtain, train, and retain staff of the calibre indicated is a task, the accomplishment of which can result only by the surmounting of major difficulties connected with such factors as adequate salaries, attractive promotion, and reasonable security of tenure.

The British Economic Mission which visited Australia during 1928 in its report to the Commonwealth Prime Minister dealt with the subjects of recruitment, promotion and control of the Public Service. The Mission regarded a capable Public Service as an essential part of a well-ordered system of administration in any country. It instanced that the true function of the senior civil servant, as distinguished from the clerical or junior staff, was to provide, not only the necessary administrative experience, but to act as a link in continuity of policy between successive Ministers, and successive governments.

The Mission offered the opinion that the class of men necessary for government administrative work had to be caught young, and properly trained, and it suggested that the Australian Civil Services would be strengthened by the introduction of a "Cadre" of men of higher educational qualifications than those possessed by the present recruits to the Service, with a view to the performance by them of the higher duties of the Service.

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The Report did not escape notice as the Associated Chambers of Commerce of Australia suggested to the Government the need for attention to be paid to the observations and recommendations of the Mission as to the public service.

A perusal of the reports furnished pursuant to statute by the Commonwealth Public Service Board of Commissioners leaves no room for doubt that the recruitment for the service, and the subsequent training of officers, are matters which are regarded as of paramount importance by the Board.

In an address delivered before the Institute of Public Administration in Adelaide one of the Commonwealth Public Service inspectors stated that it was the aim of the Public Service Board to raise the standard of efficiency of its officers, and with this end in view the Board granted each year in each State free places at the university, thus enabling officers to study for diplomas or degrees. Arrangements were made for the officials to attend lectures, but each official was required to enter into an undertaking to remain with the Commonwealth service for a fixed number of years after he had obtained the diploma or degree.

Commonwealth Taxation Acts require reports on the workings of the Act to be furnished to Parliament annually, and from time to time, the subject of efficient staffing has been mentioned by the Taxation Commissioners of the day in terms such as—

“The conclusion is unavoidable that it is a mistake to attempt to carry on by successive relays of temporary employees, so intricate, important and confidential duties which form the staple work of the Commonwealth Land Tax Department” (3rd Report, and

“All permanent officers of the Taxation Department are encouraged to study accountancy, as this means the commercial public is able to have all its accountancy points properly appreciated when they are submitted” (6th Report).

The need for care in the selection of staff for taxation investigation was a matter which merited the attention of a sub-committee of the Federal Economy Commission. After emphasising the importance of the duties of an investigator, the Committee recommended “that the men to be utilised on investigations should be selected from persons of mature judgment, who were fully qualified accountants, and who possessed reasonably good experience of commercial practice.”

Lord Haldane is credited with having said that the changing conditions of the world in the twentieth century made higher instruction more necessary than formerly, as in many spheres of life where natural capacity and special qualities of character such as energy and courage may have sufficed in the past, the possession of special knowledge,

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and the application of trained intelligence, were now absolutely necessary for success.

The technicalities of revenue laws are such that the ascertainment of the particular facts, the assembling of the appropriate figures, and the interpretation and application of the relating taxing enactments call for officials whose natural ability is not limited, whose educational and official training are beyond the ordinary, whose analytical powers are developed, and whose judgment is sound.

There is an abundance of judicial dicta relative to the responsibility cast by the legislature upon the taxing official. The present Chief Justice of the High Court of Australia (Sir Isaac Isaacs) found occasion in one case to observe—

“that the Commissioner is empowered and directed to assess a taxpayer, and he, it is assumed does so, after careful consideration, and with experienced aid, and with that general, practical, and varied knowledge of business, and affairs, which he must inevitably gain in the course of discharging his duties.”

It is not rare for Taxing Acts to refuse immunity from assessment pending the demonstration to the satisfaction of the Commissioner that specified procedure has been followed, and it is not uncommon for liability to assessment to be dependent upon the belief of the Commissioner as to the existence of facts.

In a case which arose out of the formation of a belief by a taxing commissioner, Sir Isaac Isaacs remarked that—

“the Commissioner’s function is to administer the Act with solicitude for the public Treasury, and with fairness to the taxpayers. He is the actual men trusted by the Legislature, and charged with the duty of forming a belief for the purpose of determining whether he should proceed to collect what is strictly due by law. Unless the ground or material on which his belief is based is found to be so irrational as not to be worthy of being called a reason by any honest man, his conclusion that it constitutes a sufficient reason cannot be over-ridden.”

It has been asserted that the public servant thirsts for power over his fellow men, and loses no opportunity of sapping the freedom of the public by extending the tentacles of bureaucracy, and since Lord Hewart wrote on the subject termed “The New Despotism” publicity has not been lacking for criticism of statutory provisions which made the assessment of an item of income, or the deduction of an expense, or the imposition of a charge, dependent upon the opinion of an official.

The public servant entrusted with the duty of determining these matters may ponder with advantage a creed expressed by Dr. Finer in these words—

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"Since only what best serves the State is best, it is a bread of official faith to show favouritism or jealousy in the course of official duties on grounds of race, creed, class, sex or family ties. Tolerant and kindly to the public he serves, the civil servant must use his official authority no more than the needs of the Service require, and repress the impulse of personal dominion, since his command is held only as a trust for society."

Influenced by such a creed an administrative official equipped with proper training and possessed of mature judgment may determine with confidence the question claiming his decision secure in the knowledge that the judiciary has laid down that hardship resulting from the true interpretation of an Act is a matter for the Legislature to relieve—it is not for the interpreter to sympathetically adjust.

Sir Ernest Gowers in a paper read before the Institution of Public Administration said it would be idle to expect that the income tax law can ever be embodied in statutes in a simple form, several causes combining to make income tax legislation peculiarly obscure and complicated. Two reasons for its complexity were given, the first reason being that the conditions of the modern industrial world were themselves so complicated that no system of taxing income could ever possibly be effective and equitable, and at the same time be simple whilst the second reason was that the law was full of special provisions to meet exceptional cases in which the general principles of the tax worked harshly.

The plea for simplicity in taxation legislation and forms was commented upon by Sir Josiah Stamp in these words—

"It may not be out of place to register a deliberate opinion that the clamour for a simple income tax, which he who runs may read, is an absurd one. Modern life, and modern commerce are so complex and so diversified that to expect a tax form which should read like a pill advertisement on the railway, and yet close doors upon every case is asking for the moon."

The initial difficulty of selecting staff of a type suitable for a technical department has been mentioned, but the difficulty associated with the subsequent training for executive and administrative positions is of greater magnitude.

That it is desirable for public servants to obtain university instruction has been stressed elsewhere, and the creation of courses in commerce and administration has provided an opportunity for the acquisition of knowledge which many have grasped with avidity. Subjects comprised in those courses should develop to no slight extent the mind of the student, but evidence is not lacking that the acquisition of knowledge of departmental procedure and interpretation is sought so enthusiastically by the official who is a university student

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The tendency has been noted—and it is growing—amongst students to regard the acquisition of a diploma as placing them beyond the need to become proficient in official knowledge. To curb effectively this tendency it should be an obligation on the part of the student to satisfy the university, by production of a certificate from the head of the department, that the acquisition of official knowledge is being gained at a rate which bears favourable comparison with the rate of university training, and the failure, or inability, of the student to produce such a certificate should be a bar to taking the university examinations.

Should the official neglect his departmental training the occasion must arise when its absence will prove sufficient—notwithstanding the possession of the diploma—to turn the scales against him should his rival for promotion possess that official knowledge which is so essential for the proper performance of the technical work of a revenue department.

It was Disraeli who said, "the secret of success in life is for a man to be ready for opportunity when it comes."

An efficient promotion system is one that induces good work by reason of the knowledge that worthy efforts will be recognised by giving promotion. Although an official may enjoy the reputation of working for the love of the task, he has hopes, none the less, that his performance will not be unrecognised.

To ignore the worth of such an official, and to promote a student by reason only that the student possessed a diploma would not be right, either would it tend ultimately to departmental efficiency.

Associated closely with the question of departmental training in revenue matters is the question of retention of staff.

By reason of the specialised knowledge acquired in a revenue department the commercial and professional world extends a beckoning finger to the official eager to exchange the comparative security of a service position for the scope awaiting him outside, and many a bright servant has transferred his activities, so attractive—on occasions—has been the prospect.

In a report to Parliament the Taxation Commissioner has stated that neither the Commonwealth Government nor the Taxation Department has been able to exercise any restraint upon officers of the Commonwealth Public Service resigning to enter into private practice as accountants.

A comprehensive scheme of training in taxation or revenue knowledge should be extended to those officials only who are bound by contract to remain in the Service for a specified period, and this matter of administrative training is one worthy of the most thoughtful consideration, as it may be asserted that the executive officer of

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and at the moment is only interested in finding out the lowest price the seller is able to quote.

The greatest obstacle to effective control of the investment in stores and materials is the practice of entrusting the custody and handling of a portion of the stock to the operating officials and permitting them to account for its disbursement. The invariable outcome of this practice is the purchase of large quantities of supplies in estimated future requirements, which are usually made without due consideration of past performance or present conditions, and with no exact knowledge of the situation outside of certain limited areas. These officials are authorised to requisition for material for possible future needs which may, in fact, never develop, but the stores department has no alternative save to honour them. Perfunctory questioning of such demand is only a useless gesture, because the final decision rests with the officer who approved the requisition, and the frequent consequence is an unnecessary purchase. The remedy for these conditions is the removal of the functions of providing and accounting for materials from the domain of consuming officers, and restricting their requisitions to only such material as is required for specific work, which they have been authorised to do. The underlying principle of successful stock regulation is the separation of those who use the material from all connection with its procuring, custody, and distribution, and the concentration of all authority over such matters in the stores department. Halfway measures are of no avail. It was divided authority that produced the conditions which made the supply department a necessity in every large organisation. It is the emergency stock of unapplied material in the custody of the users, that prevents an effective regulation of the material. They have proved in many cases to be unnecessary and wasteful. Successful control of the big investment in stores and materials demands their elimination. This is the most important task that faces the supply department to-day.

The stores department, like the other departments, has a special line of work assigned to it, and it is expected to do this work in the best way and the most economical way possible, but it must constantly keep in mind that its first duty is to do the particular line of work which is assigned to it; do it economically, but do it. To be able to furnish the material that is needed for the general run of work of Government departments, at the time it is needed in the quantities needed, and at the places where it is needed. If the supply department does this, it can be said to be reasonably successful; if it accomplishes this at small cost and with reduced cost of handling its success is, of course, greater. This is the ideal which must constantly be in the mind of the stores man who is trying to do his job properly.

It has always been my opinion that a shortage of material, to a

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reasonable extent, is more desirable than an over-supply; in fact it is questionable whether any officer can be truly economical who is furnished in profusion with everything he wants. I am convinced that by more thorough and responsible inspection, and as careful and thorough a check made of deliveries as is made of the price, there will be brought about a tremendous reduction in the investment in stores and materials which will in no way impair the service. At the same time it will reduce expenses and losses, such as handling, carrying charges, obsolescence, &c., which it is calculated by competent experts amounts to at least 15 per cent. on the investment.

Why is it that business men will carefully safeguard their "cash," holding employees strictly accountable for every penny, and yet when they turn part of this cash into stores and materials they lose a considerable part of their watchfulness, and take less pains to protect themselves from the loss of this transformed capital.

One of the fallacies indulged in by the average operating officer seems to be that he does not regard money expended for materials as being money spent until it appears in and affects his costs. To this fallacy is attributed much of the apparent lack of interest on the part of the managing executives to bestow the same careful attention on the stocks of material which are accumulated by their subordinates as they give to the other details of their departments. As soon as money has been transformed into material it has apparently lost all value until it reappears in the shape of costs. The money spent for stores and materials is the same kind of money and may be obtained in the same way as the money that is spent for labour, and requisitions for purchases should be scrutinised with the same care and attention that is given to the wages bill. It too frequently happens that our gaze is focused so persistently upon the pennies involved in wages and salaries that we fail to see the shillings in their converted form which are being lost through inadequate supervision and imperfect methods in the purchase and handling of material.

For many years it was one of the accepted theories that the users of material were the ones best qualified to determine the amount which it was desirable to provide for future use, to care for the material which had been provided, and to account for its ultimate disposition, and it is an admitted fact that to this theory is due the unnecessarily large accumulation of material found in many departments. This work can be more economically and efficiently performed by an organisation specially trained and devoting its entire attention exclusively to that feature of the business, working independently, but in co-ordination with those departments whose functions include the using of stores and materials.

Not only is the success of the stores department based on the

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material it can furnish, but to a very large extent the success of the other departments requiring material, is based on the ability of the supply branch to furnish the material that is needed. Where the stores department is thoroughly organised it is especially important that they maintain stocks, for it follows the more thoroughly organised the stores department is the less material will be in possession of the other departments, and unless the stores department has the material to supply then there is little likelihood of its being available elsewhere in the organisation, and it is quite likely the work which is to be done will have to be done in some way that will perhaps be more expensive; either by using material that is not proper for the work, or by using some makeshift until the material is available.

The stores department always has been and must be willing at all times to work for the Service as a whole, and not for the record of the stores department only. They must be willing to sacrifice their own good showing at times, in order that the other departments may be able to function to better advantage; which in many cases means that the Service as a whole is functioning to better advantage. The fact that the supply department has enabled the other departments to give better service and to function better in their own field of activity is what the department must work for. The measure of success does not lie in the success of the stores department as much as it does in the success of all of the departments.

A great deal has been written and a great deal more has been said about reducing stocks, and in this way reduce the cost of carrying the material necessary for the operations of all departments. To keep stocks to a minimum and reduce the carrying costs is a phase of stores department work which is so important that every member of that department has a right to give it a fair portion of his time and of his energy, and therein is the difficulty because this phase is so important it is quite possible that the stores man may over-emphasise this and treat it as if it were the outstanding work, while in reality this and every other branch of stores work must be subordinated to the chief purpose for which the stores department is organised, and that is to maintain supplies.

To quite an extent the supply department is constantly being questioned on its handling costs, and it is likely that undue importance is placed on the reduction in the cost of handling as this is another item that can easily be calculated, and by comparing the cost per hundred pounds' worth of material for this month with the preceding months or the same months in preceding years. The reduction in stocks and the reduced costs of handling are items that by all means should be given close attention, for of the several things to be accomplished by the stores department, these are two of the most important. But

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regardless of their importance they must take second place to the all-important item of maintaining supplies. Any saving that is bought at the price of reduced service, is questionable and the supply department must make sure that its service comes first. As the first duty of the stores department is to be able to supply the reasonable demands of the other departments for material, it should by all means make sure that this part of its work is given first attention. When this has been done it can then devote its efforts to reduction of stocks and any other of the desirable items in connection with stores work.

There is a desire on the part of the officers of all departments to make good, and the men in the stores department have this ambition as much or even more than the men in the other departments, and it is exceedingly difficult to make a real showing by building up or maintaining an adequate stock, for it is impossible to show in pounds, shillings and pence, the savings or benefit to other departments that is obtained by having sufficient supplies on hand, it is quite likely that the stores man will turn to those lines of his work where he can make a showing and where a saving can be definitely shown.

The chief purpose of an organised stores department is to keep the investment in stores and materials within the limits of necessity, and not, as many are accustomed to think, to unquestionably satisfy every demand of those who use the material, regardless of expense, because sometimes these demands are excessive and unreasonable. It is not reasonable, for instance, to insist on the delivery of all the requisite material before starting on work that will occupy several months, and it is excessive to order, for any reason, more than the work will actually require, yet both of these things occasionally happen. Forced economy in all operations is the order of the day, and the stores department working on the right principles is a weapon of economy of unlimited power. Not only does it enable the release of large amounts of capital from unproductive employment, but it reduces the unprofitable expense of handling and caring for the material.

One of the first duties of the chief stores officer in any large organisation should be to surround himself with efficient assistants who are competent to relieve him of the daily office details, and capable of properly carrying on the business in his absence. This leaves him free to exercise general supervision of the work and to devote large portions of his time to the more important negotiations and to matters of policy and education. The latter word is used advisedly. Not only must the successful stores executive pursue a continual course of self-education, but by constant intercourse with the officers of other departments strive to educate them in the commercial aspects of their work with which he comes in closer contact.

One notes with pleasure the gradual tearing down of the fences

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which formerly existed between departments, and the realisation that while there are many departments there is only one Treasury or common cash box, and the final deciding factor is what is best for the service as a whole.

Someone has classified co-operation into two groups, forced and sympathetic. We all know from experience that nothing of consequence is accomplished by force. The service of supply is largely dependent upon the co-operative spirit. Not only must the stores department co-operate with the using departments, but if the stocks are to be controlled, it must also have the whole-hearted co-operation of the using departments. On the other hand, using departments must take the stores department into their confidence. Advance notice of work to be performed, with allowance of sufficient time to procure materials, prompt advice when plans are changed, opportunity afforded to work off stocks on hand before changes in practice are put into effect, co-operation in standardising and simplifying stocks, are some of the ways by which the using departments can assist the supply department.

The user should become familiar with the operations of the stores department and its problems, and in this way come to realise the difficulties encountered frequently in rendering adequate service. Too often is the remark made by an engineer or other user of stores and materials, "I'm not interested in how you procure this material; what I want to know is, when do I get it?" This is not a helpful attitude and has a tendency to create antagonistic feeling, and when an emergency arises the wholehearted helpful spirit is missing, with the result that maximum service is not obtained.

The stores department officials expect the user to tell them of its faults before telling others. These officers must be broad-minded enough to welcome any constructive criticism that the user of material desires to give them. Very often it happens that these suggestions prove invaluable. It should also be remembered that each is the possessor of information vital to the other, and there should be a clear understanding that each has its own function that should not be jeopardised for the benefit of the other.

No stores officer can be of practical benefit (as practical or well trained as he may be) if he and his entire department are not first recognised and supported by the administration. In its effort for practicability is found a sufficient interest to find out what is best for the purpose of use, how the item is used and whether it best fits. Illustrations of this would fill a book and be a monument to the "aliveness" of the modern supply department. The consuming department must be dumb indeed if it considers the efforts of the supply department is interfering. Of course the personal equation is

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a factor, for some people cannot do much of anything without being offensive, but I am talking of the men who are big enough not to be offensive.

No suggestion should be left uninvestigated that tends towards more efficient and economical service and regardless of personal traditions and precedents if some better way is developed of doing some particular job. If it has merit, and if it does produce greater economies, there should be no hesitation in trying it out, for the answer that can be given as to economy in purchasing, distribution, and care of materials and supplies will in a large measure govern the judgment of the public as to the effectiveness of public administration as we know it.

Good operation means practical application of effort, recognition of ability, the simplest possible form of organisation, and above all firm, just, and accomplished leadership. Over-organisation and red tape have no place, nor has under-organisation and lack of supervision. Action is imperative, but proper and prompt action more so. The stores department is, can, or will be practical if allowed to be. It can purchase the millions invested annually in supplies and make large contributions to the benefit of net savings if allowed to. That's the department's business. It is up to the department to know its business and better than any other can know it. The officers of the supply department must so demonstrate their ability. It is not a case of fad and fancy, nor of spending money. It's the opposite—doing what is necessary to be done in the simplest and most direct way possible the knowledge of what and how to do and in using the facilities of departments served.

As a matter of fact the successful operation of all departments in a Government organisation is based to-day more on personnel than on any other factor. So the development within the supply department of a spirit of interest and enthusiasm and a feeling that "this is my own business" will be a most potent factor in more efficiently controlling the investment in material, and at the same time giving greater service to the State. In these days when our highly organised industrial civilisation tends to swallow up the individual it is the wise executive who take steps to preserve in the hearts of his assistants that enthusiasm and personal interest of "running my own business." I do not want to give the impression that the stores man's problems are over-burdensome and condemn him to a weary life. He can probably never solve them all completely and to his satisfaction; they are ever-changing and sometimes new, but always engrossing and inspiring. His calling has scope enough to afford the widest field for a man's brains, energies, and aspirations.

In a book entitled "The Spirit of the House," published by Mr. H.

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Gordon Selfridge (head of the huge Selfridge emporium in London), the writer enunciated a Philosophy of Business, portions of which are well worth repeating—

“ To look upon each minute as precious and to be exchanged only for its full equivalent in progress—to develop continually every faculty which helps to build greater judgment, energy, determination, imagination and good cheer, for each is necessary to the strong happy individual—to look upon idleness with disrespect, as a waste of time, the only commodity of which every one has an equal amount—to strive for higher standards and ideals—to look upon the bright side of things and be optimists in the best meaning of the word—to think always broadmindedly and scorn narrowmindedness, meanness and jealousy—to be just and to despise injustice—to appreciate fully intelligence, originality, loyalty—recognising merit and merit only as the door of advancement—to acknowledge no obstacle as insurmountable which stands in the way of progress.

“ Back of the beating hammer
By which the steel is wrought,
Back of the workshop's clamour
The seeker may find the thought,
The thought that is ever master
Of iron and steel and steam,
That rises above disaster,
And tramples it under heel.

Back of the motor's humming,
Back of the bells that ring,
Back of the hammer's drumming,
Back of the cranes that sing,
There is the eye which scans them,
Watching through stress and strain,
There is the mind which plans them,
Back of the brawn, the brain.

Might of the roaring boiler,
Force of the engines thrust,
Strength of the sweating toiler,
Greatly in these we trust;
But back of them stands the schemer,
The thinker, who drives things through;
Back of the job—the dreamer,
Who's making the dreams come true.”

Notes

INTERNATIONAL CONGRESS OF LOCAL AUTHORITIES, 1932

THE arrangements for the fifth International Congress of Local Authorities, to be held in England in 1932, are well in hand. The invitation was extended to the International Union at the Congress in Spain last year in the name of all the English Associations of Local Authorities and the London County Council, supported by the then Minister of Health, Mr. Neville Chamberlain, and was most cordially accepted.

The Earl of Derby, K.G., is Chairman of the Local Organising Council, which has already held two meetings. It includes representatives of the London County Council and a number of other local authorities, the Association of Municipal Corporations, the Urban and Rural District Councils Associations, the Metropolitan Boroughs' Standing Joint Committee, the Institute of Public Administration, the Society of Town Clerks, the Institute of Municipal Treasurers and Accountants, the National Association of Local Government Officers, the Royal Sanitary Institute, the British Waterworks Association, the Municipal Tramways and Transport Association, the Mental Hospitals Association, the National Fire Brigades Association, the Incorporated Association of Rating and Valuation Officers, the Institution of Public Lighting Engineers, the Institution of Municipal and County Engineers, the Chief Constables Association, the Town Planning Institute, the National Council of Social Service, and the Incorporated Society of Inspectors of Weights and Measures.

It is proposed further to increase the membership of the Council, and a number of individuals of eminence in connection with local government have been invited to join it.

The two subjects to be dealt with at the Congress will be “ The Actual Working of Local Authorities ” and “ The Training and Recruitment of Local Government Officers.” A questionnaire on each of these subjects will be circulated to the Union of Local Authorities or similar organisation in each of the countries affiliated to the International Union, and the reports submitted in response to these questionnaires will be co-ordinated by the general reporters, who will be, for the first, Mr. G. Montagu Harris, and for the second, Mr. Parker Morris, town clerk of Westminster. These reports will be

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circulated in English, French and German as early as possible before the Congress.

The opening of the Congress will take place on the 23rd May, 1932, and there will be two full days of discussion in the course of that week. These meetings will be held in the Central Buildings, Westminster.

During the remainder of the same week visits will be paid to places of interest in London, such as the Guildhall, the County Hall and the Houses of Parliament, and opportunities will be given for groups of delegates to visit housing schemes, traffic systems and municipal undertakings of all kinds in London and the neighbourhood, day excursions being made to Brighton, Cambridge, Oxford and Windsor, and to Letchworth and Welwyn Garden Cities. Municipal and other receptions will be arranged for the evenings.

For the following week arrangements will be made for tours in different parts of England by groups of delegates, which will be strictly limited in number. The following list of alternative tours has been provisionally adopted, being subject to modification when the special committee, which will be appointed, gets to work upon it:—

Group I.—Leamington, Warwickshire, Birmingham.

Group II.—Bath, Bristol, Cardiff, Glamorgan.

Group III.—Winchester, Hampshire, Southampton, Portsmouth.

Group IV.—Chester, Cheshire, Liverpool.

Group V.—Manchester, Salford, Blackpool, Lancashire.

Group VI.—Sheffield, Leeds, York, East Riding.

Group VII.—Durham, Newcastle, Northumberland.

The authorities of the above-mentioned towns and counties have expressed their willingness to receive the delegates, and municipal hospitality will be given in the various localities. Each of the tours will be so arranged that visitors will see something of the administration of urban and rural district councils as well as of the larger authorities.

Those delegates who can spend a third week in Great Britain will be given the choice of similar tours, either in Scotland (including Edinburgh and Glasgow), the Lake District, or Devon and Cornwall (including Exeter, Torquay and Plymouth).

An illustrated programme will, in due course, be prepared, giving particulars of the various places which may be visited, and delegates will be asked to notify, as early as possible, which groups they would prefer to join, indicating at the same time the types of municipal institution in which they are specially interested.

The Hon. General Secretary to the Congress is Mr. G. Montagu Harris, O.B.E., Ministry of Health, Whitehall, London, S.W.1.

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Public Utilities

- Materials for the Study of Public Utility Economics.* By H. B. DORAN. Pp. xxvii + 975. (Macmillan Company.) 21s.
Control of Public Utilities Abroad. By O. C. HORMELL. Pp. 88. (School of Citizenship and Public Affairs, Syracuse University.) \$1.
Standards for Modern Public Utility Franchises. By JOHN BAUER. Pp. 36. (Municipal Administration Service, New York.) \$0.25.
The Administration of Public Utilities. By A. L. DAKYNS. Pp. 10. (Reprinted from the Journal of Adult Education, October, 1930.)

In the modern development of what Sir William Ashley called "Business Economics" as distinct from "Political Economy," public utilities have come to occupy a special and indeed a conspicuous position. They present a field for study which is important, intelligible, and free on the whole from the disadvantages of that tradition of secrecy which besets the ordinary world of competitive business. Moreover, they possess almost invariably certain characteristics, such as high fixed capital investment, peak loads, elasticity of demand, and scope for differentiation between markets which lend themselves to the elucidation of economic principles.

The cause which has given birth to the great and growing interest in the subject is nevertheless to be found not in its inherent interest but in the efforts of the American people to find some means of controlling those services in private hands which shall be consistent on the one hand with the demands and needs of the consuming public and on the other with the American constitution.

For some thirty years a struggle has been proceeding to reconcile private enterprise with public interest within the framework of a rigid constitution. Such has been the nature of the contest, and such the resources of the combatants, that no principle has been left unchallenged, no issue unraised. One result of this long-drawn-out controversy has been the attempts to enlist public interest in support of one position or the other. "Public interest in these essential enterprises," writes Professor Doran, "was never so great as to-day, but because of their increasing complexity and the very rapidity with which

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changes are taking place, public understanding of the utility industries still leaves much to be desired."

Professor Doran, it is true, addresses himself primarily to the expert—to those who are actively engaged in the management of utility enterprises, and to students who hope to be one day so engaged. It is, clear, however, that the intelligent public is never far from his thoughts. His book is a collection of material for the study of the economics of public utility service and of the politico-economic problems of organisation, management and control which are presented by that service in the United States. It is drawn from many sources, and chosen with the object of presenting not a single consistent point of view but rather the various schools of thought which in that great country keep the public utility pot so vigorously on the boil. The material, as Professor Doran admits, is not of equal value. Cheek by jowl with an admirable scientific study of some economic problem you will find crude propaganda or obviously *ex parte* lucubrations designed not so much to ascertain facts as to protect interests. There is, however, so much that is of value, so much that, but for our author's labours, would have been lost in the obscurity of professional periodicals and unpublished lectures, that he has earned the thanks of all students of the subject. Even the inferior material will serve to train the student in the exercise of his discriminating faculties.

The collection covers every aspect of public utility management and its range is, therefore, very wide: it includes historical studies, economic and financial studies, studies of methods of organisation and of forms of public control. The field of study is wholly American, and the book suffers in some respects from that limitation: as a body of material it would have been improved by more references to European experience and by the inclusion of some of the best British work on, for instance, such subjects as depreciation and the structure of electricity tariffs. Another defect is that the statistical material used in some of the monographs is vitiated by being out of date. Thus a paper on the Behaviour of Costs in the Telephone Industry, which deals with the important and obscure problem whether, and if so how far, the cost per unit of service increases as the number of subscribers increases, is based mainly on 1915 data which are now of little value for the purpose. In spite, however, of these minor blemishes, Professor Doran and the Institute for Research in Land Economics and Public Utilities, the sponsors of the enterprise, are to be congratulated on having produced something which is unique of its kind and which is a real addition to Public Utility literature. If it did nothing else, the illustrations which it provides of the technique of approaching and studying the numerous problems which confront

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public utility managements would alone justify its production. This, it may well be, is its greatest value.

If Professor Doran has limited his gaze to the North American Continent, Dr. Hormell has made a voyage of discovery across the Atlantic. His little pamphlet consists of a series of short descriptions, from authoritative sources, of the present practice in six European countries in the matter of the public control and management of utilities, or some of them. We say some of them, for unfortunately the scope of the book is much narrower than its title implies, and in fact is almost limited to the supply of electrical energy. It is just "material," compiled with little or no attempt at criticism, comparative or otherwise, but as material, and especially as material which is not readily accessible, this collection of memoranda with the bibliographies which accompany them, is distinctly useful.

Dr. Bauer is the pathologist of the American system of regulating public utilities, and in that capacity he combines with great skill and precision in diagnosis some useful notions about treatment. In the present memorandum he seems almost to have abandoned hope of anything effective coming from the Public Service Commissions and to turning to municipalities as a more serviceable instrument for securing, through the terms of the franchises or concessions which they grant, a fair deal for the consumer. This comment on the present position with regard to electricity supply deserves quotation: "To a large extent the electric utilities now present a repetition of the history of street railways in the matter of consolidation and inflation. Present excessive earnings, due to improvements and increases in volume of business, are being capitalised as fixed charges through successive purchase and consolidations. When, finally, rates are reduced, as ultimately they must be, or when new competitive factors develop, there will be such a crashing of financial structures as occurred in the street railway industry during the past fifteen years. The irony of events is that this vast inflation has taken place and is continuing while the commissions go on placidly with their cumbersome proceedings, notwithstanding the fact that they were created in large part to prevent such financial abuses" (p. 17). We suspect that Dr. Bauer's commentary is not wholly inapplicable to our own electricity situation. As a summary of the fundamental matters which call for attention in the preparation, under American conditions, of a public utility franchise or concession, his little pamphlet is weighty and illuminating. Dr. Bauer knows what he is talking about.

Mr. Dakyn's object, in the paper under notice, is to review the present position of the study of public utility economics in this

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country. We acknowledge with thanks his recognition—perhaps too generous—of the part which the Institute of Public Administration has played in promoting that study and providing material for it, in this country. His main point is, however, that much more needs to be done, and with that we may cordially agree.

H. N. B.

A Study of Research in Public Administration

Prepared for the Advisory Committee on Public Administration of the Social Science Research Council. By JOHN M. GAUS. (New York: October, 1930.)

IN attempting to appraise the value of this Report the reviewer is placed in a position of some uncertainty. First, since the copy to hand is only a draft in stencil the report may not have reached its final form; secondly, it may not have been the author's intention to cover more than a section of the objects set forth in the terms of reference. For these terms include the ascertainment of what areas in the field of research are inadequately dealt with and to what extent there is duplication of effort on the part of existing research organisations in America, on neither of which questions does the report throw sufficient light.

Assuming however that Dr. Gaus' survey is merely preliminary to some further work of critical analysis, one wonders whether he might not have made his descriptive survey more intelligible—at any rate for the foreign reader—by presenting most of his material in the form of a chart, or a series of charts, in which the main agencies of research, legislative, governmental, semi-public and academic, would be set forth with lines to indicate their inter-affiliations and (this would be of great advantage) signs to suggest their relative importance. Dr. Gaus' subject is necessarily a dry one, being twice removed from what really concerns John Brown—the actual efficiency of this or that public service; but his mode of presentation makes not merely for dryness but for some degree of confusion. To say this is not necessarily to question the adequacy of his survey of research facilities in a field which is so much larger and more complex than our own, that to compare the two would be rather like comparing the starry universe of Professor Jeans with that of Sir Isaac Newton.

Without attempting to analyse his report one may select from it two facts in the American situation which (after allowance has been made for constitutional differences) appear to offer suggestions that might be further developed in this country.

One is the large contribution made by American jurists and the Faculties of Law in American Universities to the study of public

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administration. Where can we find in this country a journal comparable to the *Harvard Law Review*—to mention only one of several Reviews of the same *genre* and calibre? At least fifty per cent. of its articles are of as much interest to administrators and economists as to lawyers. There is no question that over here public administration as a subject of intensive study suffers unduly from a divorce which confines the training of the average lawyer and the average civil servant to separate watertight compartments—with the result that like the Good and the Clever People in Chesterton's poem the lawyers are "harsh" to the administrators and the administrators "rude" (or inclined to be rude if they were not so tactful) to the lawyers. For reasons connected with the Federal Constitution and the revival of a seventeenth century Common Law tradition, American legal circles, both professional and academic, are doing much to advance social studies across the Atlantic—much more than their confrères here.

The other phenomenon has been the initiation in America of a governmental research movement of which a notable feature has been the establishment of the Institute for Government Research in Washington. The service monographs of this Institute are well known even here, and find their counterpart on a more modest scale in the volumes in the Whitehall Series. But whereas the issue of the latter is presumably undertaken at the publisher's own risk, the former are issued under the auspices of a public body, which though voluntarily formed and financed, places the service of its staff constantly at the disposal not only of the Federal Departments (in working up the material—say—of the Census Bureau), but of Congressional Committees and of such civic bodies as the Chamber of Commerce of the United States. Thus the Institute is in the true sense a public body concerned primarily with research and neither tied to the apron strings of the Government nor under the control of commercial interests.

Besides the aforesaid there is the National Institute of Public Administration, a body similarly organised but apparently primarily concerned with municipal research and with training for the public service generally. In the former relation it carries on the work of the New York Bureau of Municipal Research which it has incorporated; in the latter it has close affiliations with various universities, situated in or near New York. There is talk of the Institute formally allying itself with one of these universities in such a way as to ensure it of financial support; without entirely depriving it of its corporate autonomy.

It is clear that our own Institute has little in common with either of these bodies. But without suggesting that it ought to develop along similar lines one may perhaps be pardoned for wishing that it would

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bring the weight of its influence to bear in securing that better facilities should be afforded for placing existing sources of information at the disposal of its members. It might, for example, organise or assist in organising a clearing house into which M.P.s and Peers would be invited to cast their surplus parliamentary papers instead of consigning them to the waste-paper basket; or it might urge the larger Municipal Councils to instruct their Library Committees to organise and maintain a Town Hall Library for the use of its officials (and of I.P.A. Branch members) where the valuable records which every Town Hall possesses relating to the administration of local service, could be preserved and catalogued. Why should the provision of municipal libraries be treated exclusively as a "line service" when it could so readily become a "staff service" as well? Or, again, the Treasury might be petitioned to allow the Whitehall departmental libraries to be used, under appropriate safeguards, by accredited members of the Institute. In these and probably in many other ways useful research could be assisted without the Government being called upon to contribute a penny.

The activities which we have noted in America represent only a fraction of the work which is being accomplished by them and other agencies. Of what the universities were doing we have said nothing. Their contributions are indeed so numerous that it is difficult to see the wood for the trees. That is the principal difficulty about Dr. Gaus' whole Report. But if one treats it as a book of reference (unhappily there is no index) one is soon made aware that some of the trees are as broad based as the Californian pine.

A. L. DAKYNS.

Labour and Capital in National Politics

By H. L. CHILDS. Pp. 286. 1930. (Ohio State University Press.) \$3.

THE author of this interesting book is Professor of Political Science at Bucknell University, U.S.A. He is interested in the practice as well as the theory of government, and he has made a close and fully-documented analysis of the governmental activities of the Chamber of Commerce of the United States and of the American Federation of Labour, of the chief exponents, that is, of the outlook and aims of employers and employed in that country. He gives a brief historical background, and a careful study of the internal structure of these bodies, and of "their policy-determining technique" as expressed through committees, conferences, referenda, and the rest, and then proceeds to a full account of the execution of their policies by means

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of their influence upon public governmental institutions, legislation and administration. Professor Childs' purpose is not that of investigating the extent to which these bodies fulfil to their members the purposes which have called them into being, nor is he concerned merely to depict their methods of work. These bodies are organised economic groups: and they play a significant part in the process of adjusting a more or less rigid constitutional structure to a kaleidoscopic economic and social environment? What is the pattern of their political behaviour? The economic activities of these and similar bodies are generally familiar, but their governmental significance has not been studied in any searching way. Hence Dr. Childs' book does, as he claims, break new ground. It is a most interesting excursion into that no-man's land between politics and economics which has pretty generally been left alone. The value of a similar investigation of parallel groups here would be considerable—say of the F.B.I. and of the General Council of the Trades Union Congress.

The detail of Dr. Childs' work necessarily has more of interest for the American than for the British reader. But his general conclusions, expressed with caution and impartiality, are valid reading in these days when the term democracy conjures up fading dreams of the age of innocence. He finds, as might be expected, from his examination of the methods of the bodies selected for study, that "execution of policies really involves the extension of the influence of the organisation over the government and the public. . . . Most Federation and Chamber policies look outward rather than inward, necessitating the control of action of non-members. . . . The pressure technique of both groups is geared into the entire governmental machinery, in response, in part at least, to a real need. What this need is can be gleaned only from a full consideration of the times in which we live; the predominance and complexity of business relationships, the antiquated character of many of our governmental methods, the rigidity of our governmental system, the increasing breadth and scope of governmental functions, the newer conceptions of liberty, equality and democracy." Is it too much to say that the study of the actual functioning of organised groups, economic, social, religious, here would restore reality to our interminable discussions of the problems of democratic organisation? Whether our pluralists be right or wrong, they are at any rate nearer to actuality than those who think and speak only in terms of Aristotelian categories.

The last chapter of Dr. Childs' book is devoted to an attempt to assess the social and political importance of the phenomena he has been engaged in describing. He points out the resemblances and the differences between the State and the special interest group: he summarises the main impacts of Chamber and Federation upon the State:

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he outlines the major problems arising out of the political relationships of State and group. As American books of this kind are not too readily accessible in this country, the best service an appreciative reviewer can render is to pass on one or two of the outstanding points. The American organisations studied by Dr. Childs play an important part in the life of the State in four ways. First, through them the citizen may establish and maintain contacts with his government: second, the groups influence national policies: third, they are important agencies for insuring continuous responsibility on the part of the government: fourth, they are effective in breaking down constitutional barriers to the smooth working of formal government. Among the problems raised by the continuous activity of these groups is that of their regulation or control by the State. Chamber and Federation have come to prefer a voluntary rather than an institutionalised status. That does not surprise an English observer, though Dr. Childs suggests that "the European mind" will be puzzled by the freedom allowed by the State to such bodies. There is the problem, too, of group influence, or rather of competing group influences: no inter-group laws regulate this competition, through high-pressure publicity, high finance, economic pressure, and so on, for power. How is their claim to influence to be assessed by the State? There are problems of finance—should the State add control, in any form, over the great sums expended by such bodies, to its insistence upon full publicity, and should it give financial assistance to these bodies with whom it does in part co-operate? There is the internal problem of the democratic control of teachers and official staff by rank and file membership, and the further problem of turning the legislative activities of these groups into the channels most useful to society. There is a standing danger of a narrow sectionalism of outlook which shows in the egotistical attempt to make the State the mere agent of group claims. Thus, in various ways the root problem of the division of labour as between group and State is laid bare in the activities of these formidable and necessary organised associations. A few moments' reflection will show the importance of this kind of study: in this country critics are busy with the defects of our democratic machinery. Are they looking at the right defects?

Dr. Childs drew attention in a systematic and unemotional way to facts and problems of first-rate importance. The best appreciation of his book is the expression of a hope that someone here will make a parallel examination of our cognate experience.

H. L. BEALES.

Reviews

Factory Labour in India

By AHMAD MUKHTAR, Professor of Economics, Annamalai University, Annamalai Nagar (Madras). Pp. x+328. 1930. (Methodist Publishing House, Madras.)

DR. MUKHTAR is an experienced investigator of industrial conditions in India, and his volume provides a timely analysis of the present industrial situation there. The perusal of his work will be worth while, for English as well as Indian readers, both as a preliminary to the pronouncements which will issue from the Royal Commission on Labour in India and as an exercise in comparative history, in the comparative history by early industrialism. He provides a detailed survey of factory legislation in India (Part I, The State in Relation to Factory Labour), and an elaborate account of the economic situation of factory workers (Part II, The Factory Labourer and His Environment). It is all very unpleasant, and resembles far too closely the disgusting accounts, elaborated in the Bluebooks inspired a century ago by Edwin Chadwick, of the first phase of industrial revolution in this country. "Labour unrest in India has assumed huge proportions of late. How can we account for it? The question has taxed the ingenuity of several inventive geniuses who, in their attempt to offer a satisfactory solution, have come to the conclusion that our industrial strikes are fomented by the Soviet The Indian factory-labourer lives in an atmosphere which, compared to that of England, stinks destitution, disease and ignorance. He is under-fed, under-clothed and badly housed. His life is a continual struggle against poverty. . . . He gets up early in the morning at about 4 o'clock, prepares his own meals or assists his wife in doing so, and walks to his factory. . . . After doing his daily work, he plods his weary way to a dark, dingy and overcrowded hovel to take the night's repose. In several cases he is huddled together in the same room with workers of both sexes. The room serves manifold purposes—kitchen, bathroom, sitting-room, dining-room and all ". . . . If it offers any comfort to Dr. Mukhtar, or to anyone, in London and in many towns in Great Britain there are conditions, still easily discoverable, similar to these so far as housing is concerned. In this country 29½ million working weeks were lost last year through sickness among insured workpeople. There are differences, of course, very big differences, between the industrial workers' lot here and in India. Neither here nor there is there any known justification for squalor, and Dr. Mukhtar's exposure of hard facts should help towards improvement.

H. L. B.

Public Administration

How Britain is Governed

By RAMSAY MUIR. (Constable.) 12s. 6d. net.

THIS "critical analysis of modern developments in the British system of Government" will be welcomed by every public-spirited citizen, and especially by those engaged in public affairs. It describes the system, not as it is supposed to be in theory, but as it actually is, the effective power being not controlled by Parliament, but by "the Government." The latter functions through the Civil Service, and our author gives a very elaborate account of the growth and work of the "Bureaucracy." He points out that the Service is not merely a staff of experts under Ministerial control, whose duty is only to "give effect to the will of the political head." On the other hand, the permanent officials not only sway the will of the head so far as the application of the laws they administer is concerned, but they also have a great influence on the framing of the laws and on the country's finance. This state of affairs has its dangers, which, he holds, are increased by the present system of Parliamentary government; but they may be overcome if Parliament can be given a real power of criticism and control over the work of the "Government."

Above the Civil Service is "the Ministry"; nominally dependent on Parliament, it is in practice the master of Parliament, subject only to the risks of a defeat in the House. Its core is the Cabinet, to which Mr. Muir devotes a very exhaustive analysis, explaining its duties and the manner in which it transacts its business. It is lamentably over-worked, so that much of its duty cannot but be neglected, and it is badly organised, being too large for effectiveness and hampered by the overlapping of functions. He suggests that it should be entirely reconstituted, so as to include about a dozen members. These should comprise the Prime Minister, who nominates and presides over his colleagues; the Chancellor of the Exchequer; the Foreign Minister; a Minister of Imperial Relations (under whom would function three separate Departments, each with a subordinate head, for India, the self-governing Dependencies, and the smaller colonies, &c.); a Minister of Defence (with subordinate ministers and Departments for the Admiralty, Army, and Air Force, and for Pensions); a Minister of Justice and Police, supervising part of the work of the present Home Office, as well as that of the Lord Chancellor; the Secretary for Scotland; a Minister for Industry and Commerce (with subordinates for Trade, Labour, Transport, Mines, and Overseas Trade, who would form a council or "sub-Cabinet" and would be provided with an "Economic General Staff"); a Minister for Agriculture, Fisheries, Forestry, and the regulation of the nation's water resources; and a Minister for Social Services, including Health

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and Education, with another sub-Cabinet for dealing with every aspect of the "condition of the people." "Posts" and "Works" would not appear in the Cabinet, as their affairs are not concerned with national policy. Nominal offices, such as Lord President of the Council and Lord Privy Seal, might be assigned to wise counsellors who cannot assume departmental responsibilities. Such a Cabinet would be small enough for intimate discussion, and, while free from Departmental routine, more able to control the governmental system; it would also ensure, through its sub-committees, the effective co-ordination of related Departments.

Mr. Muir concludes the first section of his book with a review of the Party System, dealing with its development, with Party Leadership and Organisation, and with Party Funds; he also discusses its rectification and the present breakdown of the "Two-party" System.

Having thus dealt with the Government in detail, the author turns his attention to its control on behalf of the people, which is the true function of Parliament. He examines the defects of the present method of election, and gives details of various alternative schemes, including the Second Ballot, the Alternative Vote, and Proportional Representation. The latter is discussed fully, its advantages and disadvantages explained, and the "conditions of government when there is a balance of parties" are glanced at. Such conditions would, indeed, it is suggested, restore Parliament to some of its true power.

A long and very illuminating chapter treats of the work of the House of Commons. The dictatorship of the Cabinet, together with the overwhelming mass of business and the cumbrous nature of the present procedure, which is described in very full detail, make its control of Government largely ineffective. Then comes an equally exhaustive criticism of the Second Chamber; Mr. Muir comes to the conclusion that, as at present constituted, it is a pure anachronism, and suggests that the hereditary basis be dispensed with altogether. He suggests a small block of, say, 150 or 200 members, to be elected by the Commons from among their most distinguished supporters, plus another fifty persons of ability and eminence. Meantime the work of the Commons should also be revised. There should be a check on the "professional questioner" who only wastes the time of the House. Committees should be multiplied, so that a number of Bills can be dealt with concurrently, and to each should be attached a skilled Parliamentary draughtsman, so that the Bill would emerge in an intelligible and workmanlike form. Many private Bills could be dealt with by the Departmental experts concerned, so long as the final decision lay in the hands of the House. A number of Standing Committees should be formed to deal with finance, each examining critically the estimates and accounts of a group of allied

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Departments. There should also be Standing or Consultative Committees dealing with foreign and imperial affairs, both highly confidential bodies not expected to report to Parliament.

These changes could well be supplemented by a system of Devolution, ten or twelve local Provincial Houses dealing with matters affecting their own regions, while the central Parliament dealt with questions of national scope. The reconstituted Second Chamber might serve as a co-ordinating body. Similarly, there might be "Functional" Devolution, a separate advisory body assisting Parliament on industrial matters.

In conclusion, Mr. Muir glances at the control exercised by organised interests outside of the Constitution. He discusses the pressure exercised on Parliamentary candidates by different societies, and the association of local authorities for joint action. He also shows that in matters of finance the real control is exercised not by Parliament but by "the City." Such bodies as the F.B.I. and the Trades Unions have also their own influence on government. Finally there is the vaguer force of "Public Opinion," moulded as it is by Pulpit, Platform, and Press, to say nothing of Broadcasting and Kinema. Of these the greatest is the Press, at present ruled by a group of financiers. A brief summary of the whole book ends with a reminder that unless the necessary changes can be effected, the parliamentary system will be swept away: "Representative government is on its trial."

RONIN.

Some Problems of Local Government

By I. G. GIBBON, C.B., C.B.E., D.Sc.

[Being the Warburton Lectures, 1931, delivered at Manchester University]

SYNOPSIS

Object : General Control of Administration : Units of Administration, Regional Units, Civic Units : The Representative and the Official, the subordinate place of the Official, the Representative and the Expert, Policy, Prevailing Circumstances, the Necessity for the Expert, the Place of the Official in Policy, Forecasting Results, Research by Officials, the Electorate and the Division of Functions : Tests, Efficiency Audit, Unit Tests, Units of Efficiency : Conclusion.

I. OBJECT.

I PROPOSE in these two lectures to consider just a few of the many problems of local government. To remove any misunderstanding, let me make it quite clear at the outset that I shall not deal with any matter of political controversy. As a civil servant, I must not trespass on that field, but, while missing some of the joys of the political fight, I am consoled by the fact that there are problems enough and to spare outside the political arena, and there can be exhilaration like that of mountain climbing in considering them in the clear air of impartial thought.

May I also say a word on my own general outlook on problems of this kind? I am an unrelenting empiricist, pragmaticist if you like, patiently watching results and ready, if facts so call, to change methods and even purposes by experience. The absolute best, the absolute right and wrong, no more dwells in the realm of government than of thought. Every institution, every organization, in the long run is but a hypothesis, to be tested by results, to be modified, or even wholly replaced, if facts irrefragably so require. Not that institutions or organizations, any more than hypotheses or so-called laws of nature, are lightly to be abandoned, to be thrown on the rubbish heap at the first breath of failure. Any man of worth with strong convictions, prejudices even (and prejudices have their pay side cementing society) to which he will stoutly hold, but which he can

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itself. But the council is primarily a deliberative body, usually too large to initiate and to formulate detailed proposals. Certainly not less important, it is essential for good government that the deliberative and critical organ should function with vigour, and the more it enters into detail the greater is the danger that this vital activity will be impaired.

There is also the feeling that each member is equally the representative of the electorate, and that to commit general direction to a small committee (and the committee would have to be small if it is to function efficiently) would be to abdicate from the representative throne. But to brush aside a sensible arrangement on the score of mere theory is not the British way and is the high road to ineffectiveness; and, in fact, everyone knows well that each representative is not in practice equal. In any event, final decision would always rest with the council as a whole. It is the naive theory of equality which produced in the United States, in the middle of the last century, a crop of elected officers, to the sad detriment of local government; an infirmity from which the country is still suffering.

There is a still deeper objection: that as Party more and more enters into local government, as it is doing, the main outlines of policy cannot be formulated by a committee of this kind. As I have previously said, however, a large part of the work of local authorities lies outside Party, and is likely to do so, and in some instances a system such as we are considering exists now in some measure, but in an informal way. But even if Party becomes as fully adopted in local as in central government, there is no reason why the system should not be applied; it would but approximate to what prevails in central government.

There is another need which such a committee could supply. In a number of local authorities, at any rate, there is room for more co-ordination between the different departments. Each department, each principal committee, tends to go its own way, almost as an independent authority; this is in the nature of circumstances. If there is virtue in consolidating services—and if there is not, then much of the development of the last fifty years has been mistaken—it fails if the several branches of a local authority each goes its separate way. All the services need to be focused to a common purpose, the better to serve the needs of the community, just as tributaries flow into the common stream.

It is true that the finance committee in some respects surveys the whole field, and a strong finance committee is essential for good administration. But it is not advisable that this committee should be expected to exercise a general supervision, other than in finance, more than that a policeman should be the arbiter of all life,

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not only because the committee, in the measure in which it fulfils its duty, must look at matters primarily from the point of view of expenditure—and this usually means, in practice, from the point of view of parsimony (and no bad thing)—but, more important still, because the more that a finance committee wanders into general administration the more likely is it to lose sight of its primary function, guardianship of the purse, a function that must not be weakened.

For reasons already stated, it is not prudent to look to the council for this general supervision. The more it enters into detail the less attention will it give to the larger matters of policy, the decision of which is its primary function and far the most important. Care of pence to the neglect of pounds is the most flagrant waste, and, the old adage notwithstanding, this is usually the price if a deliberative body busies itself too much about the pence instead of delegating this task to a subordinate organ.

From all of which it seems to follow that, if effective general supervision is to be obtained, it is well that there should be some small body to which this duty is expressly allotted: a body which will not attempt to supersede or "to boss" the several committees in their respective functions, but will tactfully stimulate and reconcile and co-ordinate, so that the whole machine will work together for the greatest benefit to the community which they all serve.

III. UNITS OF ADMINISTRATION.

Units of government need to be changed with changing conditions and functions if efficiency is to be served. There can be little question that at the present time regional units need to be developed for some purposes and, at the other end of the scale, quite small units would be of advantage for cultivating civic spirit and understanding.

Regional Units.

Looking down the vista of development since the early days of the last century, one feature which stands out, like a stream threading the generations, is the gradual enlarging of the areas of local government.

We started chiefly with the parish and a few towns, many of them not larger than parishes, and a hundred years ago of little practical importance for local government. Steadily, though with halting steps, the country advanced to districts, urban and rural, and later in increasing measure placed many functions on the counties and county boroughs.

Another stream also stands out in the vista, running side by side with the other; functions are progressively consolidated in one

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authority for each area, including new functions which, starting with special authorities, are ultimately merged in the one general body, the final merging having been effected only last year, when the great service of public assistance, following in the wake of education a generation ago, was transferred from the special to the general authorities. I am not now concerned to argue the merits or demerits of the change, but only to give a plain narrative of events.

As I have already indicated, he who studies social conditions cannot but feel that the process of enlargement will proceed still further, though not necessarily in the same form as that of the past years. Indeed, it has already begun. The town, even the county, may no longer be an appropriate unit by itself. When the common interests of a number of communities in a service are close, there is at any rate some presumption that the broad outlines of policy for that service should be determined by the communities as a whole, not separately by each one of them. Each one can no more sensibly play for itself than each man in a football team. In such circumstances, the region becomes the one organic unit of policy, possibly of administration. This fact has already been recognized in some spheres—for instance, in the joint bodies for electricity, for town planning, and, more haltingly, for water supply and for preventing smoke nuisances and, here and there up and down the country, for other services, and more recently for land drainage and, through the central department, for traffic control.

The problem is not special to this country; it is troubling every industrialized community. In the United States, reams of literature are being devoted to it and some interesting attempts being made to solve it. Germany affords one of the boldest endeavours to meet the problem, and for those interested I would commend the study of the Ruhrverband, a special authority, with representatives of employers and employed as well as of the ordinary local authorities, set up to determine and to control the general lines of development of the whole of the Ruhr region, an important coal and industrial area of about the combined size of the counties of Glamorgan and Monmouth. It has now been in operation for some years, and there has been sufficient time to judge of its utility.

Areas of common interest are constantly extending under modern conditions. The ease of communication contracts distances. When common interests and needs are close, it is likely that somehow circumstances will compel, locally or centrally, a way in which they can be met with reasonable efficiency. Statesmanship consists largely in seeing the need when it may be even little larger than a man's hand, and in preparing betimes for the abundant rains,

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perhaps floods, which are coming—and a people are politically wise in so far as this spirit of foresight finds ready response.

There are hindrances, serious hindrances. In the first place, local authorities are no more ready than individuals to surrender one jot of their autonomy. The larger authorities may fail to see why the process of consolidation which has been steadily proceeding for generations should be reversed, why we should once again start the setting up of special bodies. There are conflicting interests, or at least, what is an equal obstacle, the fear of conflicting interests. Whether it be electricity, town planning or water supply, for instance, one authority fears that it may be sacrificed to its neighbours—and it would much rather, if needs must, be sacrificed to some local authority in Mars! The smaller authorities dread lest co-operation with bigger neighbours be but a prelude to the sad tale of the young lady of Riga.

The problem probes deeper even than this. There is a conflict of two forces—whether each service, or group of services, is to be regarded as an unit itself, with an independent organ of government for it, or whether to start with the traditional units of government (county, town or district, as the case may be) and graft any additional functions on to them. The reformers of the early years of the last century proceeded chiefly on the former lines; those of the latter part of the century spent much time in reversing the process, in consolidating functions in the units of general local government.

It is obvious that there are difficulties enough in the way of any regional programme, but they will have to be overcome if it be true that under modern conditions many services can be adequately and economically planned only on a regional basis. The local government controversies of the middle of the last century are full of denunciations, and of forebodings of disaster, if the parish were superseded. The writers—and some of them were men of learning and of influence—were obsessed with the parochial outlook, unable to change their ideas with the changed conditions around them. But adaptation is the price of survival. There is need of far more thought on this problem, as on many others, of far more research based on hard fact, in order that the ideas needed for wise administration may bear fruit in the minds of representatives and of electors—and of officials, too.

Some may think that the inevitable conclusion to which this analysis leads is that regional authorities should be formed for the various purposes. There is, indeed, a body of thought which advocates general regional authorities, partly to take over some of the functions now performed by Parliament and the central depart-

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ments, partly some of those now administered by local authorities. I do not propose to pursue this subject, though it has, of course, a close bearing on that which I am considering; I am looking now only at the functions performed by local authorities and others which may arise out of them. And, lest I may be thought to be neglectful, let me say that I am by no means unmindful how important for local, and indeed national, vigour and efficiency it is to cultivate civic spirit, and how much this is stimulated by concentrating functions as far as practicable in one authority, and how easily it may be dissipated when responsibility is scattered.

From this standpoint, it does not by any means follow that it is necessary—or indeed wise, having regard to current notions and sentiments (and these are as essential ingredients of the problem as material conditions)—to establish special regional authorities with administrative duties, though this may be the only satisfactory solution for some purposes or in some circumstances. In a number of instances it may be sufficient if a regional body, representative of the local authorities, lays down the broad lines of policy, execution being left to the constituent authorities. In some instances it may even be sufficient if a regional body formulates an advisory policy for the group, though there is always the danger that this mild measure will break down at some vital point. In other instances, especially in trading undertakings, it may be much the more prudent and cheaper course that one large authority should be the provider of services for its neighbours as well as for itself, for there is great gain if responsibility is concentrated.

What is important is to bear clearly in mind the crucial core of the problem: that, where there are close common interests between members of a group, policy should be determined, and determined effectively, not in a milk-and-water fashion, for the group as a whole. And a live public opinion, awake to this regional need, not wedded to its own district, right or wrong, must be cultivated—an opinion based on a wide outlook, realizing that the well-being of each district may depend upon the region, just as in the long run the prosperity of each town may depend far more on that of the country as a whole than on any local advantage.

There is one phase of this general question which is sometimes regarded as the whole of it: the problem which is sometimes designated in this country by the ugly name of "conurbations," which in the United States is now usually described as that of the "metropolitan district," a term apt to mislead, which I prefer to call the problem of "town-masses," where two or more towns adjoin or nearly adjoin one another, with consequent many and close common issues—the problem of Greater London, of Manchester and district,

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of the Merseyside and of a few other places in this country. They present questions calling for high local statesmanship. There are a number of possible solutions, given goodwill and courage. I have not time to canvass them this evening, and I mention them just as one class of the regional problem, though presenting special features, with difficulties, especially of sentiment, the more acute because of that very proximity of areas, which, however, renders a solution all the more urgent.

IV. CIVIC UNITS.

From the large to the small. In order to develop civic spirit and civic understanding, there would be gain if smaller local units with a sense of common interests could be formed.

We are apt to put too high the readiness of the average man to take a live interest in matters outside the narrow circle of his ordinary daily life. Democracy, as I have said, is in its infancy. Democratic government makes a very heavy demand on the ordinary elector. Can he be expected to answer it if a keen civic spirit and a real civic understanding is not well developed? And there are forces in the modern community which tend to swamp civic spirit, not least the massing of huge populations—what before the last century would be regarded as preposterous populations—within crowded towns.

Democracy owes a great deal to the training in the past of men in managing trade unions, friendly societies, co-operative societies, of nonconformist churches and chapels and similar institutions. Some may fear that even here, in the growing trend towards State activity, opportunities may become fewer; but that is a question outside my subject of local government.

What I wish to suggest here is that there lies a real danger to sound democracy unless we can in some way evolve smaller units big enough to combine a fair number of interests and to evoke a genuine public spirit, yet small enough to enable the ordinary man readily to understand their problems and for many a one to take an active part in their activities.

The large towns of modern times are wonderful in many respects, but, like many of his contrivances, they threaten to dwarf man himself, to crush down his human stature to that of a pigmy. Man may invent a guillotine only for his own destruction. Large towns as we find them to-day represent a relatively low type of organization, and it is high time that this be realized. They are too amorphous, like aggregations of low types of animal life, with one unit added to another with little organization. Their problems are too remote, too complex, for the understanding or interest of the ordinary man.

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Life would be healthier and democracy more secure if these amorphous masses could be divided into separate communities—ward units, if you will—each with a life of its own. In this way, too, there would be more scope for individual ability, which now too often lies unnoticed and unused like a pebble on a beach of a million stones. The greatest waste of all in modern communities, with their crowded humanity, is that of individual ability.

I do not suggest that each of these units should be units of independent local government. That, indeed, would be chaos. What I have in mind are small communities with some definite unity, with local patriotism which could possibly even be used for some purposes of local government, but which still more would be units for many neighbourly activities outside the ordinary functions of government, though some of them touching local government closely and all helping towards a community vigorous in mind and body.

How may this be achieved? In new communities much may be possible through proper planning, using open spaces, principal ways of communication and physical features to give a definite physical unity, for without physical unity it is often difficult to cultivate a sense of common interests in a new district. Many a housing estate has developed a civic life of its own.

In already developed towns, the task is far less easy. The new planning powers which are proposed should help, though these powers would obviously have to be used with liberal consideration of existing interests and with a practical sense of what is reasonably possible. Much is possible by forming civic centres for localities, where the buildings of the local authority and also other institutions for the general use of the locality are congregated in a manner to appeal. They will form a nucleus around which local public spirit will crystallize, just as some substances in water will crystallize only if some object is introduced into the liquid to form a nucleus and a stimulant. This movement will be facilitated if local men and women are joined in the management of the institutions. Judging from reports, they have been able to do much in some towns in the United States in developing neighbourhood communities, using especially places of recreation, for adults and children, as the centre. There is hope also in the fact, well known to all those familiar with social conditions in our large towns, how vigorous local ties continue in areas which once were independent little towns or villages long after they have been swallowed into the amorphous mass of the octopus, and how this sentiment of locality makes persons resist being moved to another place. This is a human fact on which to

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build, if we build but wisely—even though sometimes it may work cussedly for the reformer.

I have but touched on this problem. I am far more concerned for the moment to raise it, to stir thought on it, than to suggest cut-and-dried solutions.

THE REPRESENTATIVE AND THE OFFICIAL.

I. THE SUBORDINATE PLACE OF THE OFFICIAL.

Anyone who is considering the place of the official in government is so apt to have the brickbat "bureaucracy" hurled at his innocent head, and to have it thought that this satisfactorily settles all argument, that it is well at the outset to make a few things abundantly clear, so that no man may misunderstand—though even then some surely will!

In the first place, then, it must be obvious that the functions of the official are such as are decided by the representative governing body, subject to any provisions or rules laid down by a superior representative body, as by Parliament in laws.

In the second place, in considering the relative functions of the representative and the official, what we are trying to do is to find out what division is likely to be of most advantage to the community.

In the third place, in a democratic community, while efficiency, with which goes economy, is a principal object, it is not the primary one. The primary object is government according to the will of the people, though it be often difficult with certainty to ascertain. Officials, all experts, are apt to become so obsessed with efficiency—and it is not at all a bad obsession—that they may overlook this fact.

II. THE REPRESENTATIVE AND THE EXPERT.

We take it for granted to-day that there must be representatives and officials, that the representatives should not attempt themselves to administer in detail, but should leave that to officials under their control. It was not always so. If we go back but a short hundred years we find very different conditions, most of the public work, such as it was, being done by selected laymen, officials being but a small handful and most of them, in local government, holding lowly positions—an Elysian paradise for which to many seemingly sigh, just as some would have us go back to a diet of fruit and nuts. It is but recently that the last extensive survival of this system in local government, the overseer, was abolished—and there were few tears. Even to-day, if you cross the Atlantic, as I have already mentioned, you will find thousands of elected officials, a cumbersome relic of a simple-minded wave

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even ones so influential as those of Bentham, are little more than giving a form and apparel to influences already at work.

And lest I should seem to be exalting the place of the expert in modern life, let me make it abundantly clear beyond misunderstanding (even though that be an utopian hope) that I do not believe in bureaucracy in control; further, that the expert is apt to underestimate, sometimes altogether to fail to observe, forces outside his accustomed sphere, that history shows time and again that none can be so confidently blind in some new world of ideas outside his usual range; in addition, that he is only too apt to see all the difficulties when new measures are proposed, that is a handicap of knowledge, to decry as impossible that which when pushed to the hazard is accomplished. The layman does well to listen attentively to the expert, but not always to be too dismayed by the troubles which he forecasts.

If the representative and the expert are to work to the best purpose, there must be the fullest confidence between them, almost like that of man and wife. The representative should welcome the frankest expression of opinion; and the expert on his part should speak with candour, which is not less candid if softened with tact, in the confidence of counsel, never mind whether his views do or do not happen to fall in with those of his official superiors. Thus alone can democracy be truly served; if she needs to be tricked up in subterfuges, she will soon decay.

Forecasting Results.

The expert official in a responsible position, with his wide experience, should be expert in forecasting probable results, expert also in suggesting means by which may be avoided, or at any rate reduced, the incidental consequences of ill results which may creep into the best of measures, particularly so in the case of new untried policies. If there is one truth which history enforces at every turn it is this, that some of the results of policies, perhaps the chief results, may be far different from those expected by friends or opponents, and the good of social reforms depends in no small measure on a close watch of these and on taking measures betimes to deal with them. The trained expert should render invaluable service here, as invaluable as in his particular sphere of implementing policies, of putting them into working clothes, as I have elsewhere expressed it.

But, as already emphasised, this advice should be given in the privacy of confidential counsel, with sedulous avoidance of publicity. That is the rock upon which the city manager movement may be wrecked in the United States, as is being increasingly felt by some of its most thoughtful observers in that country.

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Research by Officials.

There is a wide expanse of experience among officials. Those familiar with local government in Germany cannot but be impressed with the contributions made to local government thought by officials. They contribute more to the public study of problems, partly because of the richer inclination for research, partly because of the larger traditional freedom of officials, which in turn is partly to be attributed to the Burgomaster system.

Could not our officials do more, both individually and through their organizations, in this respect? I think they could, and that without in any degree trespassing on that official restraint of utterance which is our tradition. We badly need more considered research on our many problems. We need it not only from theorists (though their contribution is by no means to be despised) but also from practical men who can think. And there are few ways in which the official can render more lasting service to democracy.

The Electorate and the Division of Functions.

Even if a right notion of the relative parts of representative and official were implanted in the minds of both of them (and by right let me emphasise again that I mean that which is most likely to enure to the public benefit), this would not be enough. The electorate also need to know and to appreciate, otherwise more may be expected of the representative than is wise and responsibility attributed to the official which he should not carry.

One of the many problems which confront democracy is how the ordinary voter is to learn how government really works and to understand the real bearing of the big issues which are committed to his decision. Far the best way to learn how government works is to take an active part in it, or in service akin to it. I have already mentioned the debt of the country to the training which many a public man received in trade union, friendly society and similar organizations. But only a few can receive this training, and, indeed, not many will desire it. A sense of government needs to be disseminated throughout the community, through the schools, not least those for adults, through the Press and in other ways. Not by any means an easy task but nothing less should be the aim of democracy if the giant's strength is to be wisely used. There must be spread wide that feeling of responsibility without which power may easily be abused or, perhaps even more harmful, be stupidly applied.

TESTS.

One reason why there is a suspicion of the official, at any rate in some quarters, is that he is so much of an expert; the ordinary man, the ordinary representative, is apt to look upon him as some kind of

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a mystery-monger whom he cannot follow, who may be up to all manner of tricks behind screens of his own making, or perhaps like an Indian fakir making things seem far different to the mere layman than they really are.

I am not concerned for the moment to pursue the interesting question how far there are any grounds for these suspicions, except that I may be allowed to mention, incidentally, that the very manner of his training, his general attitude of mind, tends to make the official usually a fellow of remarkably honest intent. What is important is that measures be devised by which the plain representative, if I may venture to assume that he exists, may be provided, as part of the ordinary machinery of government, with simple means by which he can satisfy himself of the official's work, some objective tests, not just reliance on the official's own word. He is entitled to these measures if they can be compassed, for, as previously indicated, in the complicated conditions of to-day, it is by no means easy even for the expert, much less the layman, to be sure what is really being achieved, and, not less important, whether incidental consequences are being brought about which will largely nullify, perhaps more than nullify, gains which are won.

Indeed, clear and simple tests of results are as necessary for the expert as for the layman; objective yardsticks, independent of personal judgment or prejudice.

Efficiency Audit.

There is one sphere in which machinery has been devised for strictly testing official, and representative, activity, in the domain of finance, though the test is in the main only for legality and honesty. One of the noteworthy innovations of the last century in central government was the appointment of the Comptroller and Auditor-General, independent of Cabinet and Ministers and Departments, and directly responsible to Parliament, with the duty of making sure that all expenditure was according to Parliamentary decisions.

In local government, a central, but at the same time independent, system of audit has been set up for most local expenditure, though municipal corporations, with their ancient prestige and privileges, still remain outside it, but many of these provide for regular professional audit, though there are still not a few which rely on the old time-honoured system of audit by a man chosen by the mayor and two others elected, a system now most will consider out of date.

The primary duty of the auditor is to see that expenditure is legally and honestly incurred, but the good auditor will also keep his eyes wide open for ways in which efficiency may be improved, not only in the keeping of accounts (for that is part of his job and

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he is far more useful in suggesting ways in which fraud, for instance, may be prevented, than in detecting fraud already committed), but also in other ways, and his extensive experience of the work of a large number of local authorities should render him a most valuable ally in this respect. There is no reason why the principle of audit should not be extended to efficiency, as to integrity. It would be a more difficult task, calling for different qualifications; but ability would surely grow with the demand for it. The practice has already been adopted to some extent in the local government service, a number of local authorities having called in an independent expert to advise them. It would not be practicable to obtain one expert for all branches of service, at least he would be a strange paragon if arrayed with all the necessary ability; each sphere of work would require its own competent expert, not least important one who would be an expert on general organization, for each expert excusably tends to emphasise the place of his own particular sphere.

It would not be practicable, or profitable, to have a thorough audit survey of each branch in each year, as is done for finance. What might be done is to arrange that each branch of work should be systematically surveyed in competent fashion over a period of years, say five or ten years. It is a possibility which is worth considering—I do not wish to put it higher than that—a possibility which has the stronger case in public affairs because their administration may so easily degenerate into routine.

Unit Tests.

There is another direction in which there is ample scope for research, that of unit tests. This country was slow to take up costing, even in the industrial world. The stern trials of post-war depression, coming on top of some interesting experiments during the war, have greatly advanced the practice, though there is still very much to be done. Local authorities are well in the movement. A great deal is being done in trading undertakings. The practice is also making way in other local services, to the great benefit of efficiency and of economy. One of the most instructive lessons is furnished by the costing of public cleansing, a service which costs the ratepayers of England and Wales over £10 millions a year. The costing of this work has proved eminently successful and has helped not only to reduce expenditure but to obtain a higher standard of service, and more still will be accomplished, not simply because the provision of simple units of costs has given better means of measuring results but also because it has brought out a keener interest in the work, for representative and official. Not that all the statistics are satisfactory, far from it, but if a start is delayed until all is perfect, a beginning

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will never be made; wisdom endures many shortcomings if there is prospect of steady progress; if man never built until he was sure of a perfect city, not a house would ever be erected. The Ministry of Health have just issued suggestions for the costing of the work of sewage disposal throughout the country. The British Waterworks Association, acting with the Ministry of Health and the Association of Water Engineers, has for some years been issuing an annual statistical year book, which is steadily improving, and could be improved still more rapidly with more support from water undertakers.

By this time of day the question rather should be, not whether any department of local work should be systematically costed, but whether there are any exceptional reasons why it should not be, even quite small departments, just as the man is foolish who does not know how many miles he gets out of his car for each gallon of petrol. Not that the same elaborate costs would be kept for all departments, regardless of size. Costing can be carried to absurdities. It is not a luxurious toy, but a practical instrument. The expenditure can be kept within the limits of profitable return, but simple costs at small expense can be devised for even small departments.

Units of Efficiency.

For costing the battle has been won, though there is still much to be achieved. There is another sphere of unit tests for which the battle has scarcely been begun. Units of cost are not enough; we need also units of efficiency if we can get them, admittedly by no means an easy task.

The country where most is being attempted in this direction at the present time is the United States, in the vigorous efforts which are being made there to raise the standard of local government. It must be confessed that some of their efforts seem a little naïve and not of much value, but that is no reason for dismay, any more than the early ludicrous attempts at flying which have now led to such wonderful results.

In some spheres, tests of efficiency are, of course, now being constantly used, such as statistics of mortality, particularly of infant mortality, of the incidence of infectious diseases, of overcrowding, of the quantity and quality of water supplies and the like. What is wanted is a systematic attack along the whole line, with the aim of finding simple unit tests of as many public services as possible, which will serve as reliable indices of results, and in this attack officials, with the wide and detailed range of their experience, should take a leading part.

It has been said with much truth that knowledge advances to the

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extent that we are able to measure. The same is largely true of administration. We act as often as not on vague impulses, content with broad indications, apt too frequently to take for granted that the results we desire are being obtained, and the most important consequences may not mature for a generation or more, usually a mixture of good and ill, and the ill could often be much diminished if we had but some measuring tube by which it could have been foreseen in time. In industry, still more in science, there have been tremendous advances in devising more delicate instruments of measurement; similar advances are desirable in administration.

We are not gaining much on previous generations if we cannot contrive systematic means for more foresight, by which we can tell much more surely and much more quickly what are the real results of measures.

We must aim at simple tests; only the expert can understand the complicated; it terrorizes the ordinary man, and raises his suspicion, when, for instance, he is confronted with reams of figures. Simplicity of statement is one of the virtues of unit costs, and the same simplicity, if it can be achieved, must be the aim of units of efficiency.

I agree at once that this is a hard doctrine, difficult to attain, and that in the general field of administration there is as yet little light to show the way, but nothing less, I suggest, should be our objective.

CONCLUSION.

I have touched on but a few of the problems which confront local government, and have put forward some suggestions not in any dogmatic spirit, but more in the way of thinking aloud. I believe that the next half-century will see many changes in administrative method. There is ample scope for those concerned in local government, whether as representatives or as officials, to make their contribution to the advance of technique, and this advance is required by the growing complexity of the work which has to be done. Research is being developed more and more in industry as an essential element in efficiency. Its need and its value is no less in public administration, and I shall be surprised if in the coming years much more is not done by public authorities in encouraging it, and, wisely stimulated and undertaken, it will surely yield a rich future.

Local Government Act, 1929

ADMINISTRATIVE MEASURES

By I. G. GIBBON, C.B.E., D.Sc.

THE Local Government Act of 1929 is a landmark in the local government of the country. Its effects will be far reaching. It is proposed to give a series of articles on its effects—on administration that is—for of its politics it is not for us officials to write. I have been asked to provide an introductory article.

In some of its aspects the Act is the culmination of trends which have been steadily operating for over half a century. Its principal features may be summarised as (1) a further move, possibly the final, towards consolidating local government services, with more concentration in the larger authorities, and (2) the substitution of grants according to need for grants on a percentage of expenditure. In addition, county councils have to make a systematic review of the areas of county districts (that is, the areas of the non-county boroughs and of urban and rural districts), a task now under way. It is also to be borne in mind that a previous Act, the Rating and Valuation Act of 1925, had consolidated the work of assessment and of rate collection.

The larger the concern the greater the demand on organising ability. The Act of 1929 transferred to the county councils and the county borough councils the functions of Public Assistance, the old Poor Law, and also, to county councils, the charge for all public highways in rural districts and of all but the minor highways (all but Class I and Class II roads, that is) in the non-county boroughs and the urban districts, with certain rights of maintenance to those authorities to maintain their roads. Provision is made also for some changes in the distribution of public health functions.

One motive for the changes was to obtain larger areas of charge, because the burden was falling unevenly on some of the districts. Another motive was that the larger area was considered to offer opportunities for higher standards of administration, in particular, especially in the case of the Poor Law, that the transfer of functions from the

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special authority, the Board of Guardians, would provide means for correlating these duties with the other functions of county councils and county borough councils, which had grown so enormously since boards of guardians were first established in the early years of the last century, some of the new functions being closely akin to those of the Poor Law. That is, one of the objects of the very concentration of services was a still further specialization.

On the administrative side, the success of the Act must depend to no small extent on the measure in which correlation is genuinely effected. This will not be a simple task. It is so easy to administer any new group of duties just as an added almost independent department, and some have felt that this has occurred too much in the past, as in education. If the several functions are to be genuinely correlated, definite administrative machinery will be necessary to that end, and, not only that, but a warm spirit of co-operation developed between representatives and officials engaged in the several branches and a firm conviction that all are employed in a common service, with common interests. To depend on just haphazard co-operation is not enough, no more than it proved sufficient in military operations.

The powers in the Act enabling county councils and county borough councils to arrange that some functions of public assistance may be carried out, not under the Poor Law, but as part of the public health functions of the councils (the "break-up" of the Poor Law) makes an added call on administrative organisation. The upholders of the old Poor Law, for instance, laid stress on the family as the unit, and claimed that this point of view was automatically secured under the old *régime* but would be lost when public assistance came now from one department and now from another.

It is not necessary to consider here how far this ideal had already been lost before the Act of 1929 was passed, but this much can at any rate be said, that whatever the gain from administering services by an organ specially contrived for that purpose, for dealing with sickness, for instance, by a department of which that is the special task, and the advantages of specialisation are obvious, there is a danger in this very specialisation of neglecting other aspects which, in the long run, may be even more important, dangers which can be met only when administrative organisation and measures are adequate to deal with them.

Increasing specialisation is a feature of the age in all spheres of life. Some of the changes wrought by the Act of 1929 are from one point of view part of the general movement. This specialisation has

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contributed to remarkable achievements. The danger is that life and its needs may not be seen whole, which, stated in terms of administration, is a danger that parts of the machine may in themselves function admirably, sometimes almost too admirably, to the neglect of the greater benefits of administration as a whole. One task which lies before administrators is to devise means by which the two needs and advantages may be assured. In the body social, just as in the body physical, grave disorders may arise if different organs proceed each on their independent way.

The Act provides that certain functions may be delegated to other bodies than county councils. Guardians' committees have to be appointed to deal with individual cases of relief, under the general direction of the Public Assistance Committee and the County Council. The councils of boroughs and urban districts with a specified population have the right to claim to maintain roads at the charge of the county council, and this function may also be delegated to other councils. County councils are empowered to formulate schemes for constituting areas for hospitals and for employing whole-time Medical Officers of Health. Indeed, in this and in other ways, the Act is a new endeavour, and a necessary one, to co-ordinate more closely the work of county councils and of county district councils; for instance, the new duties of the county councils will require from them a much more active part than before in the important work of town and country planning.

In this respect again there is a call on administrative ability, in order to ensure right and friendly relations and to obtain the best results, for it is usually far easier, though by no means necessarily better, to do a job directly, through machinery under one's own immediate control, than to perform it through an agent. It is the same problem as arises in modern family life, co-operation in place of autocracy, calling for more thought and more deliberation.

Misgivings have been expressed that the new duties will burden too heavily the members of county councils and county borough councils and that they will add to the powers of that bugbear of the British mind, bureaucracy. Heavy burdens are unquestionably cast on public representatives, and at the same time it is important that the general public shall not have any cause for suspecting that the official is trying to arrogate to himself functions that properly belong to the chosen representatives.

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All this can be achieved if proper administrative arrangements are made, if there is a clear demarcation between what belongs to the representative and what is the duty of the official, and if it is also made abundantly clear that the official is but acting as the agent of his representative superiors. And it is equally important that the latter, in order that they may be the freer maturely to consider and to decide on matters of policy, should not be unnecessarily burdened with matters of detail which do not involve more than the carrying out of policies on which they have already decided, and this same consideration is also important in order that the best men may not hesitate to come forward for public work. Indeed, the very volume of work may lead to still higher standards of administration, while at the same time the official keeps meticulously to his proper sphere.

The Act provides that certain public health grants which previously were made on a percentage of approved expenditure are in future to be distributed ultimately on the basis of need determined according to specified criteria, with special arrangements, modifying the ultimate intention, for a period of years. In addition some other grants and the money found by the Exchequer to make good the loss from the de-rating of agricultural land and the partial de-rating of industrial establishments and railways and docks, are to be similarly distributed. It is to be remembered, however, that the large grants for education and police, in which the Central Government have special interests, will still be distributed on the percentage basis.

The new method of distributing grants will give a new freedom to local authorities. They will have more scope for initiative and will be less inclined to look to the Central Department, and in this respect also fresh opportunity is afforded to local administrative ability.

Parliament has made the law; its administration rests with the local authorities. It is on them that the results of the Act will mainly depend, and it is for representatives and officials to devise administrative machinery and methods equal to the occasion.

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but by the rather ingenious device of "appropriation" under the Public Health Acts Amendment Act of 1907, or of powers contained in local Acts. The change in the status of the hospitals appears likely to involve far-reaching consequences, especially for the voluntary hospitals.

The required co-ordination of hospital services has given rise to at least one pretty problem of financial adjustment which intimately concerns the public at large. Wherever a county borough runs a general hospital, there must be some sort of competitive and supplementary service between that hospital and any voluntary general hospital in the same area. "Competitive" means that, in the mind of the public, there will be preference for the one hospital or the other, and "supplementary" means that the two hospitals must of necessity cater, in the long run, for the same classes of cases.

The financial difficulty arises because, under Section 16, the council must recover from any person who has been maintained in an institution the whole or part of the expenses incurred in his maintenance. A large proportion of potential patients of the municipal hospital would normally be entitled to free treatment at the voluntary hospital, either by reason of their own contributions to hospital funds or by virtue of subscriptions made by their employers or others. If an individual in this class is received into the municipal hospital, and is in a position to contribute towards his maintenance, he receives in due course a bill for the maintenance. Having been a contributor to the voluntary hospital, or having expected hospital tickets from a philanthropic source or from his employer, he naturally resents the charge for maintenance. It is true that Section 16 provides that the council may agree to accept contributions from associations in respect of the treatment of their members, but the effect is, of course, to reduce the income of the voluntary hospital which previously received the contributions, and unfortunately it by no means follows that the voluntary hospital receives fewer cases by reason of the cases treated at the municipal hospital.

It appears likely that the result may be—in certain instances, at any rate—a change in the whole basis of the subscribed funds on which voluntary hospitals have so largely relied, and it may be that, instead of being in the nature of free-will contributions, such funds will be in future on an actuarial basis, giving guaranteed rights of treatment in return for the contributions. If so, the general effect on voluntary hospitals is likely to be profound. It was Mr. Neville Chamberlain's expressed wish, in bringing forward the Act of 1929, that the voluntary hospital system should not be

prejudiced; and, as he often said, he saw no reason why the two systems—municipal and voluntary—should not work side by side. Facts may, however, prove too strong for this, and it certainly looks as if the Act is accentuating the tendency towards the municipalisation of voluntary hospitals. This, in the opinion of many, would be a regrettable result.

Abolition of certain Percentage Grants.

Dr. I. G. Gibbon, in his interesting introductory article on the Act of 1929, suggests that it may represent the final move in consolidating local government services; and this is largely correct so far as county boroughs are concerned because there is little left to consolidate. It is, however, unlikely that the Act really represents finality in what is now termed "local government." The striking changes in borough government in the last seventy years are probably not greater than the changes of the next seventy—and there are signs of instability to-day, as there were in the past.

It is not generally admitted that finance is the most interesting branch of modern local government, but it is a fact that local government has to be paid for. In everyday life small luxuries or necessities may be acquired in one of three ways: (1) they may be bought in the ordinary way; (2) they may be acquired on the instalment plan; or (3) they may be obtained at the expense of someone else.

It is an unfortunate fact that in recent years the third method of providing local government services has been becoming increasingly popular. It was quite early that local authorities said to the Government: "Yes, we will have a Medical Officer of Health if you will pay half his salary." The process continued until local authorities would scarcely provide highways, police, education, or milk for babies unless half the cost were contributed by the Government. Financially, this represented a morass, for the percentage system of Government grants really implies the negation and the destruction of local government. The partial abolition of percentage grants by the Act of 1929 represents a real forward step, and their retention in the case of police, education and unemployment relief works is a recognition that those services are not really local services, though they are allowed to remain ostensibly local. It may be observed, in passing, that the finance of one of the most important county borough services—housing—remains chaotic and urgently requires attention.

The abolition of percentage grants in the case of public health and highway services will, it is hoped, carry in its wake not merely recognition of the ability of county boroughs to decide what are

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county districts, of the Public Assistance Committee must be set up, known as Guardians Committees comprising from 12 to 36 members. The composition of these sub-committees is (a) district councillors from every district in the area nominated by the district councils; (b) county councillors representing electoral divisions in the area; and (c) other persons appointed by the county council including women; county aldermen but not county councillors are eligible for appointment in this category.

The Act enjoins county councils in selecting the persons under category (c) to have regard to the desirability of including guardians and persons experienced in Guardians Committee matters.

A Guardians Committee may appoint its Chairman or a representative to attend the Public Assistance Committee when business specially relating to the area of that committee is to be transacted. It will be seen that there is ample scope for co-operation between the district councils and the county council in public assistance work; as public assistance has ceased to be a union charge and becomes a general county charge, so the need for uniformity in administration of relief is increased. That intimate knowledge of the circumstances of individual applicants for relief which was the subject of flattering comment during the debates on the Bill when before Parliament, may not be possessed to the same degree by these hybrid Relief Committees; its place has been taken by the knowledge of general conditions of the area and a complete measure of uniformity over the larger area of each Guardians Committee now prevails. Likewise the county council and the Public Assistance Committee are able to ensure uniformity over the entire area of charge in the administrative scheme limiting conditions governing the grant of relief by Guardians Committees or through that effective consultation between the Guardians Committee and the Public Assistance Committee which is prescribed by the statute.

County councils have had to make arrangements for the management of the large number of institutions, hospitals and homes which they have taken over. In the smaller areas one central committee is able to undertake the work effectively; where the area is larger and the institutions are numerous it has been found convenient to request the local Guardians Committees to undertake this duty as well as that of visiting and inspecting the premises and the inmates: where these latter duties are not undertaken by a Guardians Committee, a House Committee to visit and inspect must be appointed by the Management Committee. Sub-committees of women, including in many cases both members of the county council and others, have generally been authorised to visit women and children in these

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buildings and to inspect the wards. Many of the women who have for years devoted loving labour to visiting the women and children in Poor Law Institutions and Children's Homes have been co-opted upon these sub-committees, to their own pleasure and the great benefit of the inmates of the places they continue to visit.

The policy which the Ministry of Health have for some years recommended to Boards of Guardians, of combining for purposes of vagrancy, has had the seal of parliamentary authority set to it; two or more county or county borough councils may apply to the Ministry for an order to combine their areas for any purposes connected with the administration of poor law functions. The Minister of Health is also empowered—without being moved by the local authorities—when he is of opinion that the combination of any two or more authorities would tend to diminish expense or would otherwise be of public or local advantage, to make a Combining Order. Large scale combinations, sometimes of the county council and the several county boroughs adjoining the county, in other instances of a number of county councils with their adjoining county boroughs, have been formed by the Minister of Health in response to local request.

These combinations operate through joint committees upon whom usually is laid the duty of deciding upon the general lay-out of the provision for casuals in the area; they recommend to the Minister the closing of wards no longer required; they either recommend to their constituent councils or themselves decide according to the terms of their appointment which wards should be retained, enlarged, improved or altered and deal similarly with the provision of new wards either alone or in connection with existing institutions.

Reference has been made to the various methods which it is open to county councils to adopt for the management of their new institutions: there is a major problem which cannot be solved by these local Management Committees and from the nature of the case was incapable of being tackled by boards of guardians in county areas. How best can these institutions be used in the general public social service structure required to be maintained by the county councils? During this first year since the transfer of poor law functions the Chairmen of the Public Assistance Committees and of Guardians Committees, County Medical Officers of Health and County Architects have been busily engaged in inspecting, appraising and reporting to the Public Assistance Committees and county councils upon the future use of these institutions; one feature emerges in nearly every county, the need for reclassifying institutions and fortunately the existence of this need coincides with the power of the county council to meet it. Thus the chronic sick and infirm can be kept together in

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simple types of institutions where they will be undisturbed by troublesome patients; the acute cases of sickness can be concentrated in the more up-to-date infirmaries where they will have special nursing and medical facilities, and the mentally defective can be housed either in a separate institution if the number is sufficient for the establishment of an economically managed institution, or in separate mental wards, where they are removed from influences which hinder their progress and looked after by attendants who have special qualifications in mental nursing.

The hospital system of the rural county thus made available in the hands of one authority for the use of all, will form a valuable adjunct to the voluntary hospital service in operation; it will enable the public health service to be completed in areas where distance from existing voluntary hospitals has been a difficulty. County councils are required to consult with the governing bodies and medical and surgical staffs of the voluntary hospitals providing services for their area, when making provision for hospital accommodation under the Act; the cordial manner in which the approaches of the local authorities have been met by the representatives of the voluntary hospitals is an earnest that there will be no attempt to compete with the existing hospital service and that efforts to secure the correlation of the two services will be successful.

One problem which faced the new authority last year was the assimilation of the conditions for all the children entrusted to their care; the adoption of that type of home which appears best to meet the needs of the particular area has been their aim. Generally it is felt that the elimination of the very small home and concentration in those where there can be some corporate life and better facilities for training in useful habits, are desiderata.

The manifold duties and powers entrusted to the county council have been accompanied by new problems relating to staff; a large group of officers, male and female, have been involuntarily transferred to the service of the county councils and endowed with the maintenance in their new sphere of their existing conditions of service. These conditions of service have been found to vary between rather wide extremes and one of the major tasks which faced the County Staff Committees on the transfer was the need for bringing about as speedily as possible some co-ordination between these conditions of service and those appertaining to their existing officers. This problem has not admitted of any rule of thumb solution; it is in process of being solved by mutual goodwill to the satisfaction of the parties and without hardship to the county ratepayer. The Statute safeguarded the pensionable rights of the transferred officers irrespective of the existence of any superannuation scheme for other officers of the local

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authority to which they were transferred; in cases where such a scheme did exist the officers came under it unless they exercised their right to remain under their former scheme, and the local authority has to make the necessary adjustment in its contributions to the superannuation fund in consequence of the accession of such officers.

Some of the earliest tendencies discernible under the new regime include the extension of the functions of transferred officers so as to improve their status, a speeding up of the movement from part-time to whole-time service, and an enlargement of area of duty by provision of the means of easy transport. The quality of the officers transferred has been uniformly high and the endeavour of the county councils is by the steps mentioned to attract an even higher standard of entrant to this new branch of their service.

As regards the administrative staff required for the effective execution of the policy of the Public Assistance Committee a variety of methods is in being; doubtless finality has not been reached in this matter and in the light of experience changes may be made in systems now in operation. These may be classified broadly into those which employ a Public Assistance Officer at county council headquarters with a local clerk to each Guardians Committee who may be a whole-time officer or often a part-time officer, in the latter case generally a clerk to a former board of guardians, and those, which in addition to their Public Assistance Officer employ officers at headquarters who staff the various local sub-committees. The Public Assistance Officer must be the co-ordinating officer of all the work of the committee, and in constant and direct contact with all branches of the work, and with all principal officers, indoor and outdoor, engaged in administering public assistance in any form; further there is need for him to work in close harmony with the Public Health, Education and Finance Departments of the council and to feel no hesitation in praying in aid of his work the legal and administrative advice and assistance of the Clerk of the Council.

It will be seen that the transfer of poor law administration to county councils has resulted in concentration of functions which is not necessarily identical with centralisation; the decision whether or not to make these coincide is one of moment and only to be solved in reference to the situation and circumstances of each local authority. One advantage to the ratepayer has already emerged; the possibility of making large scale contracts for the purchase of the numerous foodstuffs and other commodities required at all the various transferred institutions, on better terms than were possible for individual institutions or homes. Effective organisation is necessary to ensure prompt compliance with requisitions for supplies, particularly those relating to foodstuffs in cases where a trader has secured orders for

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institutions at a distance from his depot. Whether the contracts are let directly by the Management Committees of the institutions or by the Public Assistance Committee itself is of minor importance; the enlargement of the scope of the contracts results in a saving to the ratepayer. In some counties a committee has been set up to consider the possibility of co-ordinating purchases for all the departments of the council's work, including Poor Law institutions, schools, hospitals, sanatoria, homes, police stations; it is believed that further extensive economies can be made thereby without detriment to any of the interests concerned.

Highways.

The effect of the transfer of the burden of the entire cost of the maintenance and improvement of all public highways in Rural Districts has varied according to the policy adopted during the past forty years by each county council in "main roads"; in some counties practically every highway other than grass tracks had been "maintained" and the maintenance charges had been a general county charge for many years: in others hardly one-tenth of the total mileage of public highways had been declared to be main roads. The consequential financial results of this part of the Act have been as widely divergent: in some counties no change in the ratepayers' burden has been made, while in others a local highway rate of 5s. in the £ has, through the spreading of the burden, been reduced to less than 1s. 6d. in the £. Further reduction in financial liability of the ratepayers may be looked for owing to the opportunity afforded to the one responsible authority of effecting economies by purchases of large quantities of materials and plant, by the fuller use of existing plant now made possible and the possibility of using the latest labour-saving machinery and appliances which were not available in many of the smaller rural districts. The chance of some of these potential financial advantages being offset by a demand for a higher standard of road construction and maintenance at the hands of the larger authorities is a factor which has not become visible yet owing to "time-lag."

Progress towards uniformity in standards of maintenance should become visibly and increasingly manifest owing to the unit of administration being the county; the absence of any approach to uniformity is apparent to anyone motoring through the English countryside to-day. With the powerful aid of the Ministry of Transport, which is specifying standards of construction of roads and bridges as a condition of the expenditure thereon being grant-earning, there is reason to expect that at no distant date we may be able to motor for a whole day across the country on roads of a uniform method of construction and of an excellence which shall not fall behind that of the French

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routes nationales. The operation of those provisions of the Act which empower rural district councils—the case of the urban districts is omitted as the major roads therein have become a county charge and the minor roads and streets still fall to be repaired at the expense of the urban authorities—to apply to the county council to delegate to them as the council's agents the functions of maintenance, repair and improvement of classified and unclassified roads with an appeal to the Ministry of Transport should the application in respect of unclassified roads be refused, has been most varied. Only in twelve counties in England and Wales has delegation of all unclassified roads been so granted and it appears that the county councils have remained directly responsible for the upkeep of the great majority of the classified roads and for the larger proportion of the mileage of the unclassified roads. In some counties a happy solution has been reached, of local committees composed of representatives of rural district councils in an area and of the county council, charged with the oversight of all county roads in that area, classified and unclassified, subject to the general supervision and financial control of the county council. The Act has not been in active operation long enough to enable the onlooker to judge what the final outcome will be nor to forecast which of the methods possible within the Act will yield the best practical results.

Review of Local Government Areas.

The changes brought about by the transfer of Poor Law functions to county councils and the termination of the existence of rural district councils as Highway Authorities made it necessary for a systematic survey of the boundaries of local government areas to be undertaken: these areas have grown on no considered basis; new duties have been cast upon existing local authorities without regard to their suitability to undertake them or their financial capacity to sustain them, but merely because they were in existence at the date of the creation of the added responsibilities. The Health Services which fall to be discharged by the Sanitary Authorities whose boundaries were first delimited in 1872 have grown in response to an awakened public opinion and in conformity with the advance in medical and scientific knowledge. Powers and duties have been conferred and imposed upon authorities which in many cases could not use them; some areas went without provision for certain services while others provided them at a cost which was a heavy burden upon the local ratepayers and yet could not be lightened by the expense being shared with a larger community because the latter chanced to be situate in a neighbouring area for administrative purposes.

Parliament has accordingly decreed that every county council

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shall undertake a systematic survey of all the smaller areas of local government in the administrative county, and having made this review the council is required to submit to the Ministry of Health by April, 1932, its proposals for the revisions shown to be necessary for the purpose of constituting authorities which shall be financially capable of supplying the essential sanitary services as a general rule without further assistance. It may be noted that the tendency to enlarge the area of charge for local services observable in the process of extension of the incidence of Poor Law expenditure from the parish basis prior to 1834 to a county basis in 1930, is evidenced by the power conferred upon councils of rural districts to contribute from their general rate to special expenses of parishes and upon county councils to assist those district councils in their expenditure upon works of sewerage or sewage disposal or on the supply of water or the improvement of such supply. It is not intended that this review shall settle the future configuration of local government areas for all time; population shifts, interests widen or vary and in dealing with the complex system of human relations with which so many of the services administered by local authorities are now concerned finality cannot be obtained at the first remove: appropriately therefore the county council is required to make a further review and to submit to the Ministry of Health any proposals for alteration that have become manifest, every ten years after the first general review. So large a part of the burden of the cost of local services having now fallen upon the county council the importance of the work of these bodies has been vastly increased; of the total rates paid by the average ratepayer in rural counties during the first financial year of the operation of the Act, in most cases more than 90 per cent. represents a payment towards the expenditure of the county council.

These increased responsibilities have resulted in some county councils seeking to increase the number of their members and in all being under the necessity of reviewing their committee system, in the creation of new committees or the rearrangement of the duties of existing committees, and in the time the members of the council require to give to their work and the distances they travel being vastly extended. The legislature saw fit to empower county councils to have regard to these factors by undertaking, if they thought proper, to reimburse to their members their travelling expenses when engaged on council business or on the work of a committee which relates to the affairs of the whole county.

The Effect of the Local Government (Scotland) Act, 1929, upon City Government in Scotland

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THE Local Government (Scotland) Act of 1929 was in some degree more far-reaching in character than the complementary measure passed for England in the same year. In addition to providing for a reorganisation of the Public Assistance, Mental Deficiency, Lunacy, Public Health and other Services, the Scottish Act also directed that the *ad hoc* system of administering Education was to cease, the functions of the former Education Authorities being transferred to the County Councils, with the exception that the Town Councils of the four large cities, Edinburgh, Glasgow, Aberdeen, and Dundee, were to control the educational services in their areas.

It is to the credit, therefore, of the soundness of Scottish Local Government administration that the revolutionary changes effected by the Act have, generally speaking, been carried out with a minimum of administrative friction.

While it would be difficult in a short article to review the position from the standpoint of Scottish Local Government administration taken as a whole, an attempt can be made to visualise the effect of the Act in its relation to city government. The four large cities already mentioned now control all the local government services in their areas, and if the Act had done nothing more than devolve upon one body the duty of reviewing the relationships of the various services in each area and of taking steps for their co-ordination, it would, as the short experience gained has proved, have amply justified itself.

Initially, so far as the administrative side is concerned, the greatest difficulty seemed to be that of devising an efficient system for the carrying on of the work of each council and the appropriate committees. Standing committees are a feature of all local government organisation, and it was feared in some quarters that the addition of so much new work to the existing heavy duties falling upon elected

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representatives would result in a clogging up of the machine. In order to make certain that the wheels of local government would run smoothly, the view was taken in Edinburgh, for example, that devolution of powers from the Town Council to its committees should of necessity be a cardinal feature of any new organisation which was set up. Some of the other cities did not proceed upon quite the same lines, but in all of them there followed upon the passing of the Act a measure of administrative reorganisation. If we may be pardoned for quoting the Edinburgh example, it may be explained that in that city the general principles adopted included provision for a properly organised system of committees, acting under as wide a delegation as possible, subject to the general qualification that power to enter into financial commitments should be as restricted as possible. It was recognised that the parent body should always retain a strict control of finance, and as this point was already dealt with by a provision in the Act that no county or town council should delegate to any committee the power of raising money by rate or loan or of incurring capital expenditure, the principle was readily agreed to by the Town Council.

The reorganisation of committees provided for a reduction in number. The reasons prompting this may best be gathered from a report presented to the Town Council by the writers of this article. In that document it is pointed out that to dissipate the energies of public representatives by requiring their attendance at numerous committee and other meetings is calculated to impede instead of to assist effective administration. The view was expressed that if the administration could be organised in such a way that the various functions could be classified in as few groups as possible according to the nature of the work or the duties to be performed, the inroads upon the time and attention of members could be very materially reduced. The recommendations of the report were generally adopted and in practice the Town Council of Edinburgh has now only eight major committees. These are enumerated as follows: Lord Provost's, Treasurer's, Public Health, Education, Public Assistance, Public Utilities, Streets and Buildings, and General Purposes. Standing Orders were compiled and these contained schemes of administration for the whole work of the Council. What actually happened was that the whole of the duties falling to be performed by the Town Council and its committees were analysed and classified, the division of the work among the committees and the extent of delegation to the committees being determined following on the classification. The delegation is very wide, subject to the qualification to financial control already referred to. In order to enable the function successfully, it was necessary for them to

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appoint standing sub-committees. These were appointed following the principles enumerated above for each committee. So far as can be judged up to the present, the whole scheme is working successfully.

It was recognised that, while providing for extensive delegation, something had to be substituted for the system which had prevailed of reporting practically every item to the Town Council for confirmation, and this was obtained by the adoption of a standing order which provided that a progress report should at least once a year be submitted by each committee. This report was to contain a short statement or abstract of the proceedings of the committee and an explanatory statement of policy. These reports, several of which have been submitted to the Town Council, have been full of valuable information, and have, it is thought, enabled all the members of that body to visualise the activities of the departments concerned in a much clearer way than could be done under the old system, where each Town Council Agenda contained a series of reports from each particular committee, these reports being representative only of instalments of policy. The new progress report is framed in such a way as to outline quite clearly what the general policy of each committee is and the manner in which it is being carried out. It is, of course, early yet to judge how far the new system will make for successful administration, but it is true to say that no member of the Town Council is left without the fullest information regarding the whole of the work of the body of which he is an elected member.

The extent to which the reorganisation has gone may probably best be gathered by considering the case of the Public Utilities Committee, which controls the administration of all the Trading Undertakings carried on by the municipality—Transport, Gas, Water and Electricity. The detailed control of these services is in turn in the hands of standing sub-committees—one applicable to Gas and Transport and the other to Water and Electricity. It has not been found that in practice each detailed decision of a sub-committee has been a subject for review by the full Public Utilities Committee, and there is no doubt that the new system operates for the speeding up of public business.

While on the subject of committee organisation, it may be well to point out that the Scottish Act made provision for what was novel to Scottish local government administration as a whole, namely, the co-option of members to certain committees, principally the Education Committee. Final judgment on the success of this principle of administration must be suspended until a longer period has elapsed for its working out in practice, but it may be said that, if anything, the indications are that the addition of co-opted members tends to make the committee concerned too unwieldy in size. In Edinburgh

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the normal number of members of a full committee is 20 and of a sub-committee 10, while for the Education Committee the corresponding figures are 33 and 20. On the other hand, it must be admitted that the co-option of members who had already experience in the administration of the particular service concerned has made for a continuity of administration and for a readier diffusion of knowledge of the peculiarities of the educational service as distinct from other branches of local government activity.

So much for committee organisation. Consideration may now be given to the changes in departmental organisation which were found desirable. The practice in city government in Scotland had been to apply the principle that officials were officers of the Town Council and not of particular committees. Accordingly, the Town Clerk functioned as the co-ordinating officer carrying out in practice all legal and secretarial duties, while the City Chamberlain carried out all the financial work. In some instances, too, there was an officer responsible for the execution of the whole of the architectural work of the Corporation, while the Medical Officer of Health was the chief administrative officer for all matters relating to the Public Health service. This principle was continued and was applied to the transferred services following on the passing of the Local Government Act. The Town Clerk became responsible for all the legal and secretarial work of the Committees which were responsible for the oversight of the work of the transferred services. The financial officer was entrusted with the whole of the financial duties; the Medical Officer of Health with the whole of the public health duties, and so on. The effect in several instances has been a marked reduction in staffs owing to the greater load of work permitting a much greater mechanisation of the routine work performed in the various offices. Again, economies have been effected in the "pooling" of all the borrowings of the local authority, as well as from a certain measure of financial relief which followed up on the creation of one "Burgh Fund" into which all revenues of the local authority were paid and out of which all expenditure was met. Some of the *ad hoc* authorities were too small to permit of their being advised by competent full-time officials in the matter of their legal and architectural work, and here also marked economies have in some cases resulted. One authority is at the moment considering a scheme for a particular institution which under the old *ad hoc* authority had been partly built and was to cost £600,000 or thereby. The departmental officers of the Corporation, having reviewed the proposals, have pointed out that at least a third of that amount, or £200,000, can be saved if the needs of the area are properly gauged and if the lay-out plan and character of the buildings are reviewed from a more economical standpoint, but with

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due regard to efficiency. This is an extraordinary tribute to the effectiveness of the administration in an authority whose area and capacity to bear burdens are of such a nature that it can afford to employ whole-time fully-qualified technical staffs for the performance of architectural, engineering and other duties. And so on through the whole scale of transferred services. The "pooling" of the Public Health Hospitals, the concentration of the whole of the medical staffs of the area under the control of one Medical Officer of Health, are already tending not only to raise the standard of the Health administration of the area all round, but also to provide a more economical administration. The continuous control of the health of the child from the time of its birth until it passes out of the school is now in the hands of each City Council. In Public Assistance, too, the effect of the Act in Scotland has been to direct the attention of local authorities to the very large burden which is placed upon them through their having to administer able-bodied relief in addition to relieving the ordinary poor. Some further amendments are needed in the law relating to Public Assistance in Scotland before there can be the most effective development of the administration of this service, particularly as regards able-bodied relief, but these amendments which were never obtained under the old *ad hoc* system seem much more likely to follow when the new local authorities fully realise the extent of their responsibility and the limitations of their powers.

As an indication of what is meant, the evidence given by Mr. John Jeffrey, C.B., C.B.E., the Secretary of the Department of Health for Scotland, to the Royal Commission on Unemployment Insurance, may be quoted:—

"If able-bodied unemployed persons are to continue to be relieved under the Poor Law in Scotland, this can only be done effectively under an amended law The present law was framed for dealing with the disabled poor and its whole machinery was designed accordingly. But, in an emergency, the Poor Law Authorities in 1921 had superimposed upon them by a temporary Act the duty of relieving the able-bodied poor without any change being made in the machinery at their disposal. That Act is still in operation and they are, therefore, undertaking a formidable and difficult task with a defective instrument. Except to a very limited extent the only practicable method of relief open to them has been unconditional outdoor relief. Such a position could never be defended under a permanent scheme which professed to minister to the needs of the destitute unemployed with any degree of efficiency or hope of success."

Not only, however, has the Act permitted the reorganisation of committee work and of departmental work in the Scottish cities, but

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is no less essential in municipal than in private housing enterprise.

The whole idea of managing housing estates on a social basis is almost a new one to local authorities just as the idea of public ownership on a large scale is new. During the 19th century, a great increase in urban working-class houses occurred and, under the haphazard system of private ownership, it was not to be expected that the problem of management would be scientifically approached in many cases and, though the relative responsibilities of landlord and tenant for the creation of the most slum conditions are a subject for perennial discussion, it is clear that the haphazard methods of the private owner have much to answer for.

These bad old traditions and methods which saw little in management beyond the collection of rents, should play no part in public ownership, and local authorities should begin by recognising that *the majority of tenants will respond to efforts made to improve their environment* but that the extent of the response depends very considerably on whether the estates are well-managed or not. They will also recognise the "essentially mutual basis" of the relationship between landlord and tenant and that what is most needed is a spirit of co-operation in the best interests of the community.

The type of management needed, therefore, appears to be one which will combine sound business principles with a recognition of social and human needs—which will introduce social economics into the business of housing management. For this, local authorities will come to realise that people specially trained in both aspects of the housing question are needed.

In actual operation, the principle will demand the setting up of a *properly constituted housing department* with a responsible manager who will co-ordinate all the functions of management in one department. Such a manager will be at once an efficient public administrator and a social worker. It will be realised that the complicated problems arising from the two aspects of municipal housing require for their successful solution the service of trained minds.

The administrative problem which arises from the growth of a new branch of enterprise for which the existing machinery of the municipality does not provide, has not always been recognised, and it is still quite frequently that one finds local authorities owning considerable numbers of houses where the functions of management are divided between several departments—Treasurer's, Town Clerk's, Engineer's, Public Health, &c.—with a consequent lower standard of efficiency and overlapping or omissions in certain parts of the work. The disadvantages of rent collection by untrained clerks with no special interest in housing, or tenant selection by committees, are very apparent. The estate manager who is responsible for every

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branch of the work of management can act as a liaison officer between the various departments whose work touches that of housing but at the same time one official is responsible for the carrying out of the work.

With regard to the collection of rents, arrears can be kept at a minimum by a strict enforcement of the notice to quit, but it is obvious that the logical conclusion of such a policy at the present time particularly would be greatly to intensify overcrowding, and that it only shelves the real problem. While the ejectment of a minority of quite hopeless tenants cannot be avoided, what is needed with the majority is to create a sense of responsibility. There is no evading the fact that many tenants, being new to the idea of public ownership, are less responsible in their attitude to the Corporation than they would be to a private landlord. There is a fairly general feeling that the Corporation "can afford to lose." There is an urgent need for the municipal tenants to be brought to realise that in injuring the Corporation they are injuring themselves as part of the community, the community being the real owners of the houses.

It is of primary importance that large arrears of rent should be avoided, or the development of collective ownership in housing will ultimately be retarded; apart from the obvious fact that it is unfair to allow careless tenants to benefit at the expense of other members of the community whose circumstances may be just as difficult as their own. The widespread industrial depression has created enormous difficulties in connection with arrears in very many places and the need for careful investigation of reasons for arrears and individual discrimination between different classes of arrears is all the more emphasised at the present time. The need for the responsibility for taking court proceedings, where necessary, being in the hands of the staff which is responsible for rent collection in touch with actual conditions on the estates, is another illustration of the principle of co-ordination. In all this work, it becomes evident that carefully trained property managers of the right personality are needed.

The importance of the *careful selection and placing of tenants* cannot be over-emphasised from the point of view of slum prevention. A carefully thought-out approach to the future tenant in the preliminary discussions with him as applicant can do much to create the right relationship which is at the basis of good management. The important point to realise is that housing needs cannot be fully met by building a collection of houses in a field and mechanically transferring people to them. Each case requires careful consideration with a view to allocating as nearly as possible the right house from the point of view of income, place of work, size of family and general

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standard of cleanliness as ascertained from a personal visit to the applicant before he is accepted as tenant.

This side of the work of management can be specially stressed in connection with re-housing or slum clearance work, when a great deal can be done to create the right attitude in the prospective tenant by utilising the psychological moment of the transfer to the best advantage. Some slum tenants are curiously attached to their old homes and the important thing in the preparatory work of slum clearance is to avoid the feeling that they are being forced to move against their will, but rather to create in them the desire for better surroundings. Much can be done in this way to prevent the transfer of vermin from old to new houses. It is important that this preparatory work should be in the hands of the rent collecting staff, as the relationship commenced with the applicant can be continued with the tenant. A little friendly advice about the treatment of some of the fittings in the new houses and a tactful encouragement to aspire to a high standard of cleanliness and general behaviour will do much to help the tenant to adapt himself to his new surroundings and prevent a tendency to slip back into old habits.

In connection with *the maintenance of property*, the need for an entirely different attitude in the local authority as compared with the old type of private landlord is again apparent. Perhaps the earliest contact of the local authority with the housing problem arose from the necessity of compelling private landlords to carry out necessary repairs and the attitude of some landlords has been to spend as little as possible on repairs. The local authority, on the other hand, will keep a careful eye on the property with a view to preventing undue deterioration and will rather encourage tenants to report defects in the early stages. There is a tendency otherwise, among some tenants, to refrain from reporting minor defects for fear of being accused of "complaining"! There is no surer way of lowering the standard of habits as well as houses on an estate than to neglect repairs.

On the other hand, it should be an important function of the housing department to check repairs accounts, whether the work is done by direct labour or contractors, to watch expenditure carefully and keep it well within the limits of percentage of rental set aside for property maintenance, particularly during the early years of a housing estate. When the supervision and checking of repairs is in the hands of the rent collecting staff it provides a natural opportunity for inspecting the tenant's home and observing the general standard of cleanliness, as well as preventing as far as possible the need for repairs caused simply by the tenant's carelessness.

An attempt has been made to illustrate the principles of administration from some of the main duties of management. There are

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other functions which have not been touched on—such as advisory work in connection with future housing needs. The careful tabulation of applications for houses, and the preparation and analysis of statistics designed to assist the committee in relating future housing supply to housing demand, in deciding the proportion of different types of houses, suggestion as to improvements in the internal construction of the houses arising perhaps from personal contacts with the tenant, all constitute definite branches of the work of management.

In all the work, emphasis should be laid on the need for maintaining definite standards among the tenants, the care of gardens and the encouragement of a community spirit—a civic outlook—on the estates. The manager will aim at awakening in the tenants a common interest in the welfare of the whole estate, a desire to take the greatest advantage of an improved environment, and a spirit of co-operation with the Council and the management for the benefit of all.

The need for co-ordination of all the different branches of management in one department has been emphasised. An equally important principle and one which is related to the first is that the official in the charge of the department should be entrusted with *ample executive authority*. It is most necessary that there should be a clear definition of principle about the functions of councillors and officials in relation to housing. A sound definition would appear to be the one already theoretically accepted in relation to local government work in general, namely, that the elected representatives are responsible for *policy* and the officials for administration. This principle is a sound one but it is one which is not yet applied with any degree of logic to housing. It is not the function of an official to decide matters of policy, which should obviously be referred to the Housing Committee for a decision, but, once the elected representatives have decided their principles in relation to selection of tenants, procedure in regard to arrears of rent, sub-tenants and general conditions of tenancy, they should select a housing manager to carry out their instructions who can be trusted with ample responsibility and authority, always within the limits of the general policy of the Council. Such an official will of course report periodically to his committee on progress of work.

I am stressing this point because I feel that the experiment of the ownership of large numbers of houses by a local authority is one peculiarly liable to "the hazards of democratic control," and a system under which the tenants in a sense elect their own landlords may raise unique difficulties. Housing is one of the most difficult branches of administration carried on very much in the limelight of publicity, and impartiality is needed if the right relationship with the tenant is to be maintained. It is impossible to get the right relationship if applicants or tenants can obtain results by appealing to

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individual councillors, and yet it is almost natural and inevitable that councillors should occasionally be pressed to override the conditions they have themselves laid down where a particular tenant or constituent is involved. For this and other reasons, and in order to maintain continuity of policy, it is essential that the official should be entrusted with the details of administration.

In many, probably the majority of towns, the selection of individual tenants from lists of applicants submitted by the officials, is still carried out by committees of councillors. This is increasingly unsatisfactory as municipal estates grow in size. It may be dangerous for anybody to select tenants! but the individual selection is a matter far more safely left to officials carefully trained in methods of investigation, who will carry out the general principles which have been discussed and decided on by the Committee.

In general, the principles which have been outlined in this paper should be applied to all types of municipal estates. It is obvious, however, that the importance of many of them can be stressed still more in connection with slum clearance schemes. The country is now embarking on an organised attempt to clear finally from our midst these blots on our town and cities, and this seems to be a peculiarly fitting moment in which to ask whether our local authorities ought not to consider the importance of the contribution which scientific and sympathetic management can give to the permanent solution of this problem.

Some Aspects of the Reorganization of Schools

By WILLIAM F. HERBERT

THE public system of education in England and Wales is at the present time undergoing a complete reorganization, which was inaugurated three years ago as a result of the Report of the Consultative Committee of the Board of Education, issued in December 1926, under the title of "The Education of the Adolescent," and commonly known as the Hadow Report. The recommendations of this Report have been accepted by the Board, by educational opinion, and by the country at large, as a great advance in the opportunities of education for the majority of children. The principal change involved in the new system is that, from the age of eleven onwards, all children should be educated in senior schools of one type or another, capable of providing a varied and progressive course of education for older children."

This extract is the introductory paragraph of a leaflet issued by the Board of Education (Cmd. 3551), and gives official recognition to the process of reorganization which is at present engaging the attention of local education authorities throughout the country. The term "reorganization" is symptomatic, recalling such other terms as "rationalization" and "reconstruction," and is indicative of a desire upon the part of those most concerned with the development of education in this country to make use of the post-war period for effecting improvements in its practice and administration. In some parts of the country little attempt has been made to put into effect the recommendations of the Hadow Report; in others, while the principles underlying the movement of reorganization are accepted, they will be interpreted only in partial fashion and compromise will result. There are certain local education authorities, however, in which reorganization is welcomed, and in consequence complete surveys of their areas are being made, so as to bring about a satisfactory grouping of schools for the provision of advanced and practical instruction.

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The educational aspects of reorganization may not appeal to the administrator as to the teacher, but it is only as the result of an appreciation of the points at issue that satisfactory administrative arrangements can be made. Underlying principles are usually expressions of an ideal; and their translation into tangible form cannot be more than an attainment of the second best, even where a clear ground for experiment is possible. But in the administration of education there are countless obstacles in the way of a fresh start, and an adjustment of existing conditions and a slight expansion upon modern lines are likely to mark the full extent to which any local education authority can expect to meet the wishes of the reformer. And behind the findings of the Board's consultative committee there is a very real reform—one which is of fundamental importance where large-scale, expensive services are being provided—the unification of administration of different sections of the same service and the consideration of the effective size of the unit of control.

The present system of primary education in the country makes co-operation between schools a difficult matter, and yet it is upon this possibility that effective reorganization must depend. Children up to the age of 11 years cannot be expected to travel far from their homes in order to attend school, and it is therefore probable that the existing schools will be suitable for them. With older pupils, however, it is very desirable, in the interests of education and efficient administration, that they shall be grouped in units sufficiently large for the establishment of schools whose curricula are conceived upon a broad basis, adapted to the special needs of the neighbourhood and allowing differentiation for widely-varying abilities. For this to be possible, the modest "room in the school-house" is no longer adequate. The "modern" school—to use the nomenclature adopted in the Hadow Report—should be planned so as to provide a number of classrooms, an assembly hall, and rooms for practical science and for instruction in art and crafts, handicraft, metalwork and domestic subjects. Some of the schools planned recently include, in addition, changing-rooms, bathrooms and a school library, and where possible sites are acquired in which space is available for a school garden and playing-fields. It will be realized that for such buildings to be used to the best advantage they must serve areas which will ensure the annual transfer of a stream of pupils from the primary schools in proportion to the available accommodation. The actual size of the school will be determined almost entirely by local circumstances, but in any case economy of organization becomes possible. In matters of staffing, a considerable improvement often results since specialist

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teachers are available, and the number actually employed is probably less than in an area where reorganization has not been effected.

There are many difficulties in the way of rapid reorganization. Even where the local education authority is prepared to adopt the policy of reorganization, the actual preparation of schemes usually involves protracted negotiations between individual groups of school managers and representatives of the local authority. The particular problems facing the administrator arise largely from local conditions, although the effect of the system of dual control is likely to be felt generally throughout the country. In some authorities, and especially in county areas, powers are delegated to district and local committees, and time is lost in the production of schemes because of the consideration which is given them locally before they are finally settled by the local education authority. It is possible that the county areas have considerably more difficulties in the matter of reorganization than the large centres of population in county boroughs and other urban areas, although, as far as school premises are concerned, the urban areas have usually to adapt their existing buildings rather than embark upon ambitious building programmes. The limitation is both financial and geographical; even with existing facilities, authorities do not wish to carry out schemes involving increased expenditure, especially when suitable sites for new schools are not conveniently placed within their areas. In the county areas, on the other hand, the school buildings of the pre-war period were generally unsatisfactory, and the present policy, carrying with it an additional grant from the Exchequer in respect of new buildings which are necessary for the furtherance of schemes of reorganization and to which authorities are contractually committed before a given date, is an attractive one which will bring about an improved standard of buildings and equipment, in addition to the distribution of pupils to greater educational advantage. With the larger county areas there are difficulties arising from the scattered nature of some parts of the district and the existence of many small schools. The attitude of the general public towards educational problems, and the diversity of outlook as between various districts, would not appear to be insurmountable difficulties, yet they are certainly responsible for considerable delay and obstruction in putting schemes into effect.

Such difficulties as those outlined above naturally create administrative principles upon which the process of reorganization in any given area will be based. The experience of certain authorities in having to face objections from parents has caused most education committees to proceed only with those schemes to which general

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consent has been given, and under some authorities it is insisted upon that the body of managers of each school concerned, meeting separately, shall pass a resolution in favour of their acceptance of a proposed scheme of reorganization before any definite steps are taken. Safeguards and guarantees to the contracting parties are, of course, essential and are mainly concerned with the right of a contributory school to be represented upon the management of the senior school, with arrangements for religious instruction and with assurances to the members of the existing teaching staff. It is usual that, while status cannot always be guaranteed in the case of head teachers, there shall be no loss of salary entailed by the transfer and absorption of any teacher. It is necessary, too, that the material welfare of the pupils shall not be neglected, and the conveyance of pupils and facilities for the provision of mid-day meals are matters which assume considerable importance. In widely scattered areas, conveyance of pupils is an outstanding feature, the cost of which is considerable even where special contracts are made, although it is generally admitted that the expenditure is fully justified. Under one northern authority a scheme has been effected in which many scholars are conveyed daily to a school over twelve miles from their homes.

The actual schemes involving reorganization may be classified broadly according to (a) the type of school affected, (b) the type of area served, and (c) special schemes.

In dealing with the first of these classes, it is possible for schemes to be of three types:—

- (i) Voluntary schemes embracing non-provided schools only;
- (ii) Schemes including "council" or provided schools only; and
- (iii) General schemes including both provided and non-provided schools.

The voluntary schemes referred to in (i) above are not uncommon, and, although it would be generally expected that the schools affected would be those of the same denomination, there are instances in which co-operation between Church of England and Nonconformist schools has been possible. It is usual, however, to find that an existing school has been extended and adapted to meet the requirements of the Board of Education, and the contributory schools are of the same denomination and have common parochial interests. Schemes including provided or council schools only are usually to be found in urban areas, although on the outskirts of certain industrial areas, where the foundations providing schools in the early days of educational development have ceased to provide them and the duty has been taken over by the local

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educational authority, schemes do frequently include council schools only. In one case a reorganization scheme has been effected by which five such schools have actually been closed and new buildings provided not only for all the senior pupils of the schools in the area, but also for the juniors attending these inadequate school buildings which at different times have been taken over by the local education authority.

The usual reorganization is of the third type, in which schools of the provided and non-provided types are included. While the foundation managers of the non-provided schools are anxious not to give up their share in the provision of educational facilities, many of them are unable to bring their school buildings up to the standard demanded by the Board of Education for the purpose of advanced instruction. They are, in consequence, prepared to continue to provide the schools for junior pupils only, and in certain instances they are, by so doing, providing accommodation of which the Board of Education approves in premises which are regarded as unsatisfactory for the original number of senior and junior scholars. There is a tendency at the present time for the provision of new schools to be regarded as the duty of the local education authority rather than of any particular denomination, and as a result the schools which are now being erected will in most cases become the senior schools provided by the authority even where particular denominations have control of funds sufficiently large to enable them to provide adequate accommodation. A certain reluctance to do so exists since the provision of educational facilities is not the only purpose to which such funds may usefully be directed.

As to the type of area served, the main differences, apart from size, are those which are of more interest to the teacher than to the administrator, and deal with the schemes of instruction, their relation to the needs of the district, and to the general classification of pupils. The question of size is, however, an important one, since it involves a consideration as to the selectivity or non-selectivity of the schools. In one thickly populated area three senior schools have been provided, and it has been possible for one of these to admit only those children who have reached a prescribed standard. The instruction given in this school will be more academic than that given to the children of average ability who will attend the other two schools. Further, the size of the area will determine the number of classes of children which will be admitted each year, and for purposes of organization these schools are classified as one-, two- or three-system schools, according to the number of classes admitted annually. It will be appreciated that

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the staffing and equipment of such schools can readily be standardized.

Some interesting schemes of reorganization have been devised where special circumstances prevail. Some schools are already sufficiently large to have enough senior pupils in attendance for the establishment of a self-supporting senior section. This is often the case in institutional schools, where the conditions are usually abnormal and where the type of pupil demands specialized instruction involving generally much individual work. Apart from such self-contained schemes, there are others which involve mutual arrangement between two or more local education authorities. For example, schools coming under the jurisdiction of a county authority may transfer their senior scholars to a senior school within the area of an adjacent county borough or Part III area. Isolated schools may frequently be dealt with in a similar way, while there is one instance in which two county authorities have a scheme which involves a number of schools on either side of the boundary between them.

At the present time the work of the senior schools is largely a matter of experiment and schemes of instruction are mainly tentative. Several of the schools, however, have already developed marked individual characteristics and are rapidly becoming important centres of local activity. The results which will eventually be attained can be expected to mark a further stage in the development of the educational system. It would certainly be true to say that the work of the schools from which the senior pupils have been transferred has already assumed an improved character, and it is evident that pupils in such schools are deriving much benefit from the change, the most important feature of which would appear to be an earlier development of a sense of responsibility in the children.

The Highlands and Islands Medical Service:

What it is, and what it has done

By A. SHEARER, M.B., C.M.

Medical Officer of the Department of Health for Scotland

[Address delivered to the Institute of Public Administration at Edinburgh, 18th March, 1931]

TO be quite frank, I heartily welcome the opportunity of speaking to you to-night on "The Highlands and Islands Medical Service: What it is, and what it has done," because, in my opinion, the activities of the Highlands and Islands (Medical Service) Schemes and the results which have thereby been achieved produce a picture far too little known by the public, and one which, if better known, would, I venture to say, be a source of much gratification to all concerned. That something is being done: that improvements are being effected: that conditions have bettered and so on under the Highlands and Islands (Medical Service) Schemes are, in a vague sort of way, appreciated by some people, but to what extent and in what directions is known only to a few. I always regret that this should be so, for, so far as I know, no more humane, beneficent social service exists in the British Empire—and perhaps even beyond that; and I am convinced that no money spent by Parliament reaps a richer or fuller harvest than that spent under the Highlands and Islands (Medical Service) Fund.

The great difficulty of providing an adequate medical service in the Highlands and Islands has been long recognized, and it is interesting to read in the Tenth Volume of the Statistical Account of Scotland, published in 1794, the following reference to Tiree by the then minister: "The situation of this parish is dismal without a surgeon residing in it. Poor people cannot afford sending occasionally for a surgeon, to a distant country, at great expenses with frequent disappointments: the raging elements forbid it, or perhaps before the relief arrives the hope of the family is no more. Too often has the present incumbent seen childbed women in particular fall sad sacrifices without relief." And remember the population

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and Islands practitioner had to contend. We can not forget that single-handed as many of the Highland and Island doctors are, separated by long distances from their neighbours, and the large medical centres, they have frequently to undertake professional responsibility in difficult medical, surgical and obstetric cases which demands a medical initiative and assistance of perhaps a higher plane than is necessary in urban areas where specialists of skill and consultation are readily available.

It is a joy, in this connection, to quote again from the Report of the Royal College of Physicians, to which I have already referred. Therein it is recorded that "Strong testimony is borne by several of the reporters to the indefatigable zeal and self-denying labours of the Highland practitioners generally, and much regret is expressed that they are for the most part very poorly remunerated." The Moderator of the General Assembly of the Church of Scotland at that time wrote: "I know of no class of men more inadequately remunerated than the medical men in the Highlands, or who obtain a livelihood at a greater sacrifice of time and labour. Generally they have been found to evince an untiring zeal and energy in prosecuting their professional duties under peculiar hardships and difficulties, which disinterested humanity, guided by sound and enlightened principles, could alone animate and sustain." What a noble heritage these old Highlands and Island doctors have left to their successors!

The Highlands and Islands (Medical Service) Fund was constituted by the relative Act of 1913 as the direct consequence of the report of the Dewar Committee. It was enacted that the sum of £12,000 was to be paid into the fund annually from money voted by Parliament. That is to say, the grant was a direct State grant, not a charge on insurance fund, and it was to be applied, in accordance with approved schemes, "for the purpose of improving medical service, including nursing, in the Highlands and Islands of Scotland, and otherwise providing and improving means for the prevention, treatment and alleviation of illness and suffering therein."

Let me now pass to the approved schemes for the application of the fund, which will speak for themselves and answer the question: What is the Highlands and Islands Medical Service? First, then, the scheme of grants from the fund to medical practitioners aims at bringing the services of a doctor to the humblest home in any part of the Highlands at low uniform fees. The fund applies "to cottars, crofters, dependants of injured persons and those in like circumstances on whom the doctor's usual fee would be an undue burden." It does not matter whether the doctor has

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to travel one mile or twenty miles, or whether he reaches the patient on foot or in his own car or in a hired conveyance, he cannot charge more in ordinary illnesses than 5s. for a first visit and 3s. 6d. for subsequent visits. He may get less, but he cannot charge more without breaking his agreement with the Department. For midwifery and certain other services higher charges are allowed. The point is that the grant has the effect of relieving the patient of paying for the time and expense involved in the doctor's travelling. Even if the charge for these were reasonable, it is in most cases *quite* beyond the means of the patient to make adequate recompense. In other words, the grant is intended to make it financially possible for any ill person in the Highlands and Islands to get medical advice and treatment. Too frequently had it been the custom for the people to send for a doctor only when someone was dangerously ill, and perhaps beyond hope of recovery. One doctor tells me "that a summons for medical aid usually meant a summons to a death bed." But all this is now changed; and what a comfort it is to know that *no sick person need now lack medical attention because he cannot afford to pay for it.* That was the intention, and that it has been most abundantly justified by the results, is reflected in the enormous increase in the number of professional visits now paid by all Highland and Island doctors to those to whom the fund was specially meant to apply.

The improved conditions of medical practice in the Highlands and Islands have been of enormous benefit to the service, and this is reflected, *inter alia*, in the number and type of medical men who are now anxious to practise in these areas. In the days gone by, few were the applicants for medical vacancies in many areas, but now the position is entirely changed and the difficulty is not to get a medical man to accept an appointment, but rather to make the proper selection from a large number of well-qualified applicants. Within recent years as many as 63 medical men applied for a vacancy, and it is not uncommon to have from 20 to 30.

The provision of motor transport which, as a result of the grants paid to the doctors, is now the means by which practically all of them visit their patients, has almost revolutionised the service. It is now possible to do in one day what may previously have taken three or, even, four days. In this way the people get a much better service, and that it is appreciated by them, I have good reason to know. Yes; and as an old doctor who has practised in the Highlands for over 40 years has said to me: "Think what it means to a humane man to sit behind an engine throbbing with mechanical energy rather than behind a horse sobbing out its heart from overwork." Only a Highlander could so express himself.

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In addition to the more expeditious and comfortable transport, much has been done to improve *the housing of the doctors*, either by building new houses or transforming existing dwellings into comfortable and up-to-date houses, and who can gainsay that this is a factor of vital importance? Up to the present the fund has assisted in the provision of 37 new or transformed houses, and others are under consideration. It is hoped that in time every Highlands and Islands doctor will have a suitable and comfortable house. I am convinced, having in mind the rigorous climate of the Highlands, which *no* fund can improve, that a better service cannot fail to be given by a medical man, if during his arduous day's work he can look forward joyfully to a respite at his own really cosy fireside. And another effect of these improved housing conditions, which is not without significance, is the increased happiness which they have brought to the doctors' wives who, instead of having to fight on all day and every day with difficult domestic conditions, have now homes of which they are proud, and to look after which, I have been told, was a "genuine pleasure." I mention this as I believe that indirectly it has a beneficial effect on the medical service. A wife, contented and happy, in her home surroundings, is almost certain to be a better help-mate to her husband.

In preparing this address, I had personal knowledge of the value of the schemes under the Highlands and Islands (M.S.) Act, but, to ascertain the practitioner's view, I thought it advisable to ask some of the doctors who knew the conditions of medical practice in the Highlands and Islands, before, and since, the passing of the Act, how, in their opinion, the Act had affected themselves and their patients. Without exception, the replies show what mighty changes have been effected, and emphatically eulogise the great benefits which have accrued to all concerned. Let me read you some extracts from these replies.

One writes: "Prior to the Act it was undoubtedly a fact that the majority of Highland medical officers were living a hand-to-mouth existence. In many outlying parts there was really no efficient medical attendance for the Highland people, but now, with the passing of the Highlands and Islands (Medical Service) Act, there has been a great and gradual improvement in the medical and surgical services throughout the whole Highlands and Islands. The Act has undoubtedly been a great boon to the poorer people. It gives practically a universal medical service and up-to-date attention for the crofters, cottars and dependants. It has also been a big help to the doctors carrying out their duties in difficult conditions of weather, distance, poverty and adverse environment. There is a very marked improvement in the conditions all round, with the

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greatest possible medical and health benefits to the entire population of the Highlands and Islands."

Another says: "I like the homeliness, kindness and personal touch of Highland practice, but much as I love the Highlands and the work I could not have stayed on here under old conditions. I can now give my patients the attention that they require knowing that I am not putting a burden upon them. When I call often in a grave case my folk are glad to see me and do not dread the day of reckoning as in the old days. We doctors who love the Highlands and our own folk can give them of our best, and yet earn a decent livelihood, and do real good, save suffering and even put away death itself, which under old conditions was impossible. I say and believe that a finer medical service does not exist in the world and I am proud to be a member of it."

In regard to nursing this doctor says: "No words of mine can express what nursing has done for the people. It has revolutionized country practice. Maternity work especially has been improved out of recognition and the whole atmosphere of our homes amongst the poor folk, not only in illness but in health, has been changed, and this due very largely to the quiet insidious influence of our nurses."

Another doctor says: "To compare medical work in the Hebrides in former times with what obtains to-day is like recollecting a terrible nightmare in the course of a good breakfast."

One writes that "The Act has been an unmixed blessing to the inhabitants of the Highlands and Islands where patients were left in a good many cases without sufficient medical attendance, *for which neither the doctor nor the patient could be blamed.*" To put it very shortly, my opinion is that the Highlands and Islands (Medical Service) Act has been the greatest boon to medical officers and their patients which the Highlands has ever known. I have had experience of work in the Highlands and Islands for over 40 years and the difficulties under which we Highland medical practitioners laboured in pre-Highland and Islands Medical Service days were so great, and sometimes so overwhelming that no one who served under them for a period of years can forget them. I remember very well how a number of my colleagues in a large Highland area worked from year's end to year's end in desperate anxiety to pay their way, and found it an almost impossible task."

I don't want to weary you with these extracts which, however, to me are very important, but I must read you this one:—

"In pre-Act days it was difficult to get a living, money was scarce, and payments were often made by butter, eggs, mutton, fish, &c. Travelling was by push bike or trap, and consequently there was much time spent on the road, not to mention hardship

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and discomfort. On account, however, of the Highlands and Islands (Medical Service) Fund the poorer classes can now get prompt, adequate and cheap medical attention and the practitioner is pretty sure of his modified fee and dead certain of the Department's cheque. So all are happy, and if not, they should be banished to St. Kilda."

Now, consider the other approved schemes. Under the head of Nursing Service, grants may be paid to nursing associations or other bodies—for example, a public health authority—to assist in maintaining district nurses. The fund can also be used to assist in the provision of specialist services; to help to maintain hospitals; build houses for doctors and nurses; extend telegraph and telephone lines; help with laboratories and clinics, dentistry and ophthalmology; provide holiday relief for the doctors and assist in the maintenance of an ambulance service. As illustrating what has been done in the way of providing expert help, let me mention that, in an emergency, a skilled specialist was sent from Edinburgh to Shetland (before a surgeon was stationed there as a permanency) to operate on a patient who could not be moved; and the operation was successful. The fund has also been used to bring poor persons to the special departments of our large hospitals. As a vivid example of the direction in which the Highlands and Islands Medical Service Fund is serving the humane purpose which it set out to achieve the following case might be cited:—

In a remote part of the Highlands it had been the misfortune of a married woman, anxious to be a mother, to have had two still-born children. When she became pregnant for the third time her medical attendant raised with the Department the question of her removal to an hospital, where expert medical and nursing skill could be provided, but the economic conditions of the family were such that, to accomplish this, financial assistance would be necessary from the fund. It was agreed to provide this assistance; arrangements were made for the woman's admission to an hospital, and four days after admission she was delivered of a living "very fine male child." She returned to her home happier than she had ever been before, and, I am glad to say, did *not* forget to express in laudatory terms her appreciation of what had been done for her under the Highlands and Islands (Medical Service) Schemes.

If the conditions in the Highlands and Islands vary from one parish to another, as they undoubtedly do, if the problem *here* differs from the problem *there*, the schemes are so drawn as to be flexible and adaptable enough to provide the solution. And I am tempted to suggest that the civil servants who administer them endeavour to be equally adaptable and elastic. That at any rate is indicated in letters received from doctors working the scheme.

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One of them, with 40 years' experience of Highland medical practice, says: "The terms under which the practitioners work by arrangement with the Department of Health are so reasonably elastic, and in most cases so accurately adjusted to local circumstances, that the Highlands and Islands Medical Service is an outstanding example of the success with which a combination of State medical service and private medical service may be worked."

Another experienced and well-known Highland doctor says: "The Central Department in the carrying out of these beneficent changes has endeavoured to make the official wheels go along as smoothly as possible; that there has been little or no interference in the way of dictation or bureaucratic bullying, and that the practitioners on the spot have been fully trusted to do their best without inquisitorial Peeping Toms hovering around." I am glad this doctor refers to the trust which, since the inception of the scheme, has been *deliberately* placed in the Highlands and Islands doctors, for this trust, which is *so* essential to the success of the scheme, has been amply justified, and one doctor tells me it has given him "a feeling of increased security and strength in his medical work knowing that he has behind him a body which has won his confidence by their sympathetic understanding of his difficulties." Might I digress for a moment to say that it is particularly pleasing to me to hear these expressions, for they corroborate what has *always* been my conviction, first as a general practitioner for twenty years and now as a civil servant: that, in all our negotiations with each other, mutual sympathy and trust take away the rough edges and facilitate happy and satisfactory solutions of what might otherwise appear difficult and thorny problems.

One of the most important points to notice about the Highlands and Islands (Medical Service) Schemes is that they provide subventions to *services*, not to staff. Even if the Highlands and Islands fund can, and does, give grants to a certain number of doctors in poorer practices to supplement inadequate incomes, that fact must not be allowed to obscure its real purpose. The fund exists to benefit the people of the Highlands and Islands. If, incidentally, it has provided work for more doctors and nurses, and if it *has* supplemented the incomes of certain of the doctors, and improved the status of all of them, that is a by-product of the main design. The fund exists to minister to the well-being of the people of the Highlands and Islands, without distinction of class or creed, and its justification lies not so much in the improved status, emoluments and housing of doctors and nurses—however good and desirable these things may be in themselves—but in the extent to which medical and nursing services in adequate volume and of high

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standard have been made readily available to the people at a cost which is within their often attenuated means.

What, then, has the Highlands and Islands Medical Service done?

Broadly speaking, but without exaggeration, it has transformed medical services throughout the Highlands and Islands from the Muckle Flugga in the north of Shetland to the Mull of Kintyre in the south of Argyll.

Test that sweeping statement against the facts. Where before honest folks did not call in the doctor even in desperate straits, because they could not pay what they knew to be a fair fee, they need not now hesitate for the sake of five shillings. And the doctor remains, as before, the family doctor. The Highlands and Islands fund has not altered in the least that kindly relationship; in fact, by enabling the people to call him in whenever his services are needed, it has made him the family doctor in reality, not merely in name. One doctor assures me that "our poor folk are now our personal friends in a way never before realised, and when I was ill last year I had a feeling of goodwill shown from dozens of sources which I did not before believe to exist. This is an incentive which words cannot describe."

More than that: there is now, as I have already indicated, active competition among first-class doctors for posts in the Highlands and Islands. The service, I am proud to say, has an honoured place in the medical scheme. It does not offer extravagant financial rewards—it never can; but it *does* give a real field for valuable, if sometimes strenuous, medical work, which will always have an affection for those who place useful service before gain.

As showing that the quantity as well as the quality of the medical service has improved, let me tell you that at 31st December, 1915, the number of doctors in the Highlands and Islands with whom agreements had been made to render a modified-fee medical service was 137, and that this number had by 31st December, 1929, risen to 155, an increase of 18. When we remember the greatly improved transport now as compared with then, the increase in quantity is very much more than would seem to be represented by the figure of 18.

I have already referred to the improvement effected and contemplated in regard to doctors' houses.

Again, district nursing was, in 1913, by no means general in the Highlands and Islands. Here and there, by the generosity of proprietors or others, nurses were employed. Now there are very few areas where the services of a nurse are not available, and the majority of them are fully trained. The intention is that, in time,

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they will all be of that standard, and that every part of the Highlands and Islands will have a nursing service on which it can call. To the women and children of the Highlands—not to speak of the doctors—a nursing service is an incalculable boon. The nursing services have, concurrently with the medical service, steadily improved and been extended, but the best will *never* be got out of any nursing service unless the nurses are provided with reasonable transport and are comfortably housed; and much has been and is being done in both of these directions. If the conditions in the Highlands and Islands make the work of the medical man difficult and trying, what about those noble and self-sacrificing women whose devoted service is admittedly such a help and comfort to all those who come under their care, and without whose whole-hearted support no medical service can ever be completely adequate? They too have to work under trying conditions—it *may be in an area which might well be selected for "reliability trials"*—and anything done to ameliorate these conditions is not only what these nurses deserve, but is bound to increase materially the efficiency of the service. Many nurses, because of the sparsity and distribution of the population, have long distances to travel, and the conditions, especially in winter, are exceedingly arduous. The general means of transport was an ordinary push bicycle, and this we all know entailed hardships and physical strain which no nurse should be asked to undergo. On many occasions when I have been in the Highlands and Islands it has been almost heartbreaking to meet nurses, in the course of their work, riding push bicycles on a Highland road—and in a Highland wind and rain! Under these circumstances it is physically impossible even for the strongest to give of their best. Push bicycles have, however, in many instances now been replaced by motor cycles, and in some instances by small cars; and in the interests of the service, as well as of the nurses, it is hoped that by means of voluntary effort and financial assistance from the fund, the small-car method of travelling will become much more general. I think it is true to say that the one direction, lately, in which the activities of the fund have, perhaps, been most vigorous has been in the number of these cars which nursing associations have been assisted to provide. The value of a good nursing service can hardly be estimated, and where is there more need for a first-class nursing service than in the lonely, sparsely populated areas of the Highlands and Islands? That this has been fully realised you will appreciate when I tell you that, when a survey of the nursing service was made, in 1914, by the Highlands and Islands (Medical Service) Board, the number of nurses at work was 107, of whom only 47 were of the fully trained category and 30

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had little or no training. Picture the position now. At the present time 173 nurses are subsidised from the Highlands and Islands (Medical Service) Fund, and of these 129 are full trained and only 8 have little or no training. You will notice that not only has 107 become 173, but the number of trained nurses has risen from 47 to 129.

In case it is thought that the total number of nurses in the Highlands and Islands is the figure I have stated, viz., 173, I should mention that, in addition to these, there are at work in some parts of the Highlands nursing associations which do not receive any grant from the fund.

Development beyond these primary essentials, medical and nursing, has been begun and will go much further, till ultimately the whole framework of requisite specialist services is completed. Already resident surgeons are at work in an operative and consultant capacity in Zetland, the Lewis and Orkney. In these areas, far removed from expert assistance, it was necessary in many cases, *in which immediate surgical help might mean the difference between life and death*, to have to transport them long and exhausting distances by sea, and perhaps rail, to a centre where the necessary assistance could be provided; *and it has happened that patients have died in transit*. The establishment, however, of surgeon specialists in the already mentioned centres has completely altered this. Much major and minor surgery, not to speak of radiology, is now performed in well-equipped hospitals in these islands, the inhabitants of which proclaim the service a "perfect God-send to them." Think what it means to those people to have now at their doors a service which should be their due, but which previously was difficult, if not impossible, to obtain, and then perhaps only at great risk to their lives. As proof that these services are now a very important factor in the medical work and needs of the Highlands and Islands, let me tell you that in Shetland, where these services have been available now for six years, the average number of operations performed during the last three years has been 534 per year. And it is worth mentioning, in so far as it reflects the quality of the work done, that the annual post-operative death rate has been under 2 per cent. The operations performed cover a large field of all kinds of surgery, and undoubtedly afford a relief to the waiting lists of the larger infirmaries. The records of the work done in Lewis and Orkney are equally gratifying. It is a safe and pleasing assumption that the establishment of these specialist services has meant the saving of many human lives, and of even more suffering, and the introduction of similar or slightly modified services to other areas in the Highlands and Islands is

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under consideration. The managers of the Royal Northern Infirmary, Inverness, have rebuilt this institution in accordance with a plan which will make it in buildings, equipment and specialist staff the central hospital of the Northern Highlands; and, as is now well known, they are to receive from the Highlands and Islands (Medical Service) Fund a very substantial annual contribution for the next ten years. In the Islands—north and west—schemes of hospital facilities and other arrangements, such as dentistry and ophthalmology, are being planned which will supplement the basic medical and nursing services and complete a homogeneous, close-knit fabric of prevention and cure. I shall not be surprised if in time the counties in the Highlands and Islands give a lead to Scotland in the elaboration of unified hospital schemes which will summarise and apply all the capabilities of the Highlands and Islands Schemes and the hospital clauses of the Local Government (Scotland) Act, 1929; for I believe that the work already done by the Highlands and Islands Medical Service has laid a solid foundation on which any weight of superstructure can now be safely imposed.

What the Highlands and Islands (Medical Service) Fund has done is not alone important; what it will yet do is of more urgency to those of us who are connected with it. Now that Public Health, in all its aspects, is a function of large and powerful local authorities, and now that the original grant to the Highlands and Islands (Medical Service) Fund is being supplemented by Parliament according to the yearly necessities, there should be no obstacle to progress. But I come back to the principle emphasized in my opening sentences: there can be no progress in the Highland medical services if the problems are treated sectionally. What is provided by doctors, nurses, specialists and hospitals must be available for insured and non-insured, for sick and for poor, for the private citizen and for the local authority alike. Effort and funds must be "pooled" for the benefit of all. With what it has done, and what it will do, the Highlands and Islands Medical Service may become "second to none."

It is not in Scotland only that this service has its effect. The thought and labour that have gone to its creation and growth are exercising a steady pressure of influence in far-distant parts. Wherever topographical difficulties and sparsity of population constitute a medical problem, people are turning to the Highlands and Islands Medical Service for guidance. In Kentucky, in Newfoundland, in South Africa and elsewhere ideas worked out and tested here are being adapted and applied to the cognate problems there. In short, the Highlands and Islands Medical Service is not only a ready help at home, but also a steady source of inspiration abroad.

Local Government in Germany; Historical and Constitutional Introduction

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SYNOPSIS

Introduction; Local State Administration; Development in Local Self-Government; The Present Organisation of Local Self-Government; The Local "Civil Service"; The Functions of Local Authorities; Central Supervision and Control; Recent Tendencies in German Local Government; The Nature of German Local Government.

MUNICIPAL self-government was nowhere more developed than in mediæval Germany, and though it disappeared before the oligarchies of the guilds and the growing centralisation of state administration, the memory and tradition of that earlier period were never quite lost, but remained to be the inspiration of later reforms.

The modern period of German local government dates from the reforms of Stein and Hardenberg in Prussia during the retirement of that country from the Napoleonic Wars. Old historians have maintained that the unity and glory of Prussia are to be attributed to the work of the Hohenzollerns, Frederick William I and Frederick II. This was only true in so far as they succeeded in making the monarchy supreme over the feudal rulers. The state was built up on the army and the bureaucracy, both privileged orders, to whose higher ranks only members of certain privileged classes were admitted. The growing volume of administration was conducted by colleges whose every decision had to be laid before the ruler. The system, which was cumbrous and became more so as time went on, broke down with the Peace of Tilsit in 1806, because only a very narrow circle of the population was at all interested in its maintenance. Stein saw that government, if it were to surmount a national crisis, must be based on the assent and active interest of the majority of the population. Inspired by the ideas of the French Revolution and the memory of the past, he set about both to democratise and decen-

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tralise government. The reforms were resisted by the courtiers and landed nobility so that his plans were only partially fulfilled and the struggles of many subsequent years have been necessary to complete their realisation.

In 1807 the purchase of land was thrown open to all classes and bodies of the community, while all economic activities were similarly freed; two facts of immense importance for the future of local government. It was at this date also that the last remnants of personal dependence were abolished. The Municipal Ordinance of 1808 still forms the basis for modern municipal government, except that the reforms of 1919 have substituted universal suffrage for election by estates or class suffrage. Rural Communes were left unreformed as Stein was forced to retire. His work was in part carried on by Hardenberg, who, however, concentrated on the reform of the state administration. Prussian reforms were imitated in other Lands, and this together with the fact that Prussia is by far the largest German State, has made the Prussian system typical for most of Germany. In the following account the Prussian system is taken, whilst variations in other Lands are mentioned.

Local State Administration.

In order fully to comprehend German local government it must be clearly understood that there are two parallel systems, the local state administration and the self-governing authorities. The German states do not, as in England, work generally by means of co-operation with the local self-governing authorities but through special bodies of their own. In certain instances, however, notably in the Prussian Circles, state and self-governing bodies coincide. Hardenberg's reforms of 1810 and 1815, aiming at greater uniformity in the state administration, provide the framework for modern administration. He reorganised the central departments and divided the land into Provinces, Government-Districts, and Circles.

The Province.—The Higher President (Oberpräsident) of the Provincial administration proper is simply the local representative of the central government for purposes of general administration, which includes at this stage justice, trade and agriculture, while there are special boards for other matters. The Higher President is responsible to the Minister of the Interior and is aided by a council of six, one of whom is a high administrative official appointed by the Minister, the other five being elected by the Provincial Committee from among the members of the Provincial Assembly. He has to ensure that the work of government within the Province is conducted on uniform lines, but can only make recommendations to that effect: he has no power of compulsion. He exercises the state supervision over Pro-

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vincial self-government and has the ultimate power of decision with regard to disputes concerning the Communal authorities. Under his direct charge come those institutions which extend beyond the sphere of the Government Districts—waterways, roads, police, and the supervision of air-transport. He further exercises the state supervision of those business and industrial bodies in his Province which come under "public law," and presides over the Provincial School Board.

The District.—The President and Committee of the Government District form the real intermediate authority. In the District the state administration is regional, in accordance with Stein's plan, which was that local government should be regional and not departmental. All the functions of state government converge and are divided into three main administrative groups, these being (1) the internal administration, which signifies at this stage police, public buildings, industrial and commercial affairs, public health, and the supervision of local self-governing authorities; (2) Churches and schools, which are administered by *ad hoc* boards within the frame of the District government; (3) State domains and forests. The Government President (Regierungspräsident) is aided by a committee of six, two of whom are appointed by the state and hold office for life, the other four being elected by the Provincial Committee from among the inhabitants of the government districts.

Town and Country Circles.—The Town and Country Circles form the lowest state boards. At this stage state administration again becomes departmental, only general administration being entrusted to the Circles. This comprises the supervision of lower Communal authorities, the control of taxation as far as administration is concerned, maintenance of police, and the execution of the electoral system. State and local self-government administration, however, at this stage converge, and the state functions are performed by Communal officials, these being in the Country Circles the Landrat and his committee, in the Town Circles the Burgomaster and the Magistrat.

In the past, towns were automatically freed from the control of the Country Circles and acquired the status of Town Circles, when they reached a population of 25,000. Under the new Circle Ordinance in Prussia, each case is to be decided individually.

The executive organs of the Circles and Government Districts are also administrative courts. The Provinces do not act in this capacity, appeal from the Government District going straight to the High Court in Berlin.

Developments in Local Self-Government.

Local self-government has attained its modern form much more

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slowly than local state-government, after the check given to it by the retirement of Stein, but it has developed according to his principles. He looked upon self-government as a means both to the self-development and personal freedom of the individual, and to the development of public spirit. His principles have nowhere been more justified than in the sphere of German local government. Unpaid service to the community is the duty of every German citizen. The main work of government is, however, carried on by paid officials, the elected assemblies being deliberative rather than executive. The local authorities have residual powers of government. They are not obliged to apply to the state for powers but may undertake any service not expressly allotted by the state to other authorities. This is in accordance with Stein's view that self-government is most real when most decentralised. Higher local authorities or, as they are called in reminiscence of their federal origin, Communal Associations, may, like the Communes, undertake voluntary activities. These did not interfere with the powers of the Communes until in recent time the higher bodies were allowed in some parts of Middle Germany, under certain circumstances, to claim functions exclusively for themselves. German local government is hierarchical in nature. The lower authorities do not as a rule come into direct contact with the state, but with the immediately superior state and self-governing bodies. This system has its advantages in that it prevents undue interference on the part of the state with the local administration, while state supervision is carried out by local officials with intimate knowledge of local affairs, but the great number of authorities through whom state decrees have to penetrate makes it very cumbrous, and it affords opportunity for a certain amount of local tyranny.

The 19th century witnessed the development of intermediate self-governing bodies, the Provinces and Circles (or their equivalents in non-Prussian Lands) being organised for this purpose. The system was at first federal. Only after the War have the Circle Assemblies been directly elected. The control of the state, very lax in the first reaction from centralisation, again became stricter. After 1831 the Landrat, the head of the Prussian Country Circles, was appointed by the state, who thus obtained direct and exceedingly important influence over local affairs. The towns, because they had been longer in the tradition of local government, could not be brought under state control in this manner. The state further exercised its influence through the approval of local taxation.

The trend of taxation through the century is particularly interesting, as illustrating the emergence of German local government from feudalism. Local revenues were at first modelled on feudal dues and fees. With the extension of government activities, taxation

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became the chief source of revenue (indirect taxes being followed by direct), but early taxes were themselves assessed to the inhabitants on the basis of the feudal dues paid by them.

The Present Organisation of Local Self-Government.

Local self-government received its present structure by the reforms of 1918 and 1928, the former abolishing the old class-suffrage, the latter the manorial estates, the last remnants of feudalism. These estates, where the functions of government had hitherto been exercised by the lords of the manor, have at length been assimilated to the Country Communes.

German local self-government, unlike English, bears in its organisation a close resemblance to the central government. There are certain variations from type in the different Lands but the prevalent system is that of two chambers, the one mainly deliberative, the other executive but with certain legislative powers. Those Communes which are organised on the Magistrat system correspond most closely to the central organisation. Here the executive, or Magistrat, consists of a number of officials, some of whom are heads of departments, while others are more like ministers without portfolio and represent the lay element in administration. This body has certain powers of initiative with regard to legislation, particularly in the case of the budget, which is prepared from the government benches, but all important decisions have to be made by the legislature. The Burgomaster under this system is simply the head of the executive. He does not preside over the assembly meetings, being in fact directly comparable to a Prime Minister. The heads of departments are paid officials, the other members of the Magistrat simply receive compensation for loss of time and expenses incurred. Burgomaster and Magistrat are elected, sometimes directly, mostly indirectly through the Council. Their appointment requires state ratification. Paid officials, including the Burgomaster, are generally appointed for a period of twelve years, the others remain in office simply for the duration of the council which appoints them. The Magistrat is thus half a cabinet, half a board of experts.

The other main type of Communal organisation is the Burgomaster system. This is found chiefly in the East of Germany and is attributable to the effects of French domination. Here the Burgomaster with his paid and unpaid helpers, who are not so much colleagues as subordinates, forms the executive. He is in this case also chairman of the Council. The Burgomaster system has certain advantages in that it renders administration direct and decided, while conflicts between legislature and Magistrat are avoided. The Magistrat system, on the other hand, allows a far stronger influence of the lay

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element and greater use of the practical experience of laymen. It ensures a more thorough working out of projects looked at from many different angles, since Magistrat officials are prevented from becoming too specialised in outlook by the general meetings of the Magistrat and, above all, by its joint meetings with the legislature.

The two chambers never vote together, but members of the Magistrat have the right to be invited to the meetings of the Assembly, while, on the other hand, when invited it is their duty to attend. They do not vote, but may speak. The honorary members of the Magistrat may of course vote if they are also members of the Assembly. Paid officials may now be members of assembly, but the custom still generally prevails that they lay down their mandates on becoming members of the Magistrat.

Both forms are, according to English ideas, essentially bureaucratic, in particular the Burgomaster system. It may be remarked in passing that the opposition between the two forms of government themselves from this point of view is not so great as at first appears, for the Burgomaster's executive cannot exercise such wide influence as the many-sided Magistrat. The German Socialists aim at abolishing the Magistrat system and at establishing a one-chamber system on English lines. Such a system does already exist in German, notably after the reforms of 1919, in Bavaria and Württemberg. The establishment of a one-chamber system runs, however, directly contrary to the tendency of modern government, since, owing to the very complexity and magnitude of government functions, more and more business of importance must be left to officials. Better, it may be argued, have the responsible officials in close contact with the legislature, as in the Magistrat they are, than leave important matters for decision by persons who come into little direct contact with the legislators. That kind of bureaucracy, at present threatening English democracy, is far less responsible than the German Magistrat. The Magistrat-system is modified by the formation of committees of the legislature for every important branch of administration, the officials having no power of decision on important matters without the appropriate committees. In Country Communes the Burgomaster is replaced by the Leader of the Council.

The legislative assemblies of the Communes, called variously in the different Lands, Assemblies, Committees, or Councils, are all elected on the basis of universal suffrage, according to proportional representation. The period of election varies from three to five years. The age limit is 20, while the age for election is in most Lands 25 years. The only suffrage restrictions are certain conditions as to length of residence. The members of the Council receive their expenses refunded, and compensation for loss of time.

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Circles and Provinces both have Assemblies elected every four years with executives elected by, though not necessarily from among, the Assemblies themselves, the only stipulation being that members of the executive must reside within the electoral district. The chairman of the Circle Executive, the Landrat, is, however, appointed by the state. He is perhaps the most important of all local officials, combining as he does in his person both state and communal activities. It is through the Landrat that the Prussian government keeps its hold on rural self-government. The fact that the state appoints the chief of the Circle Executive leads sometimes to intolerable positions, when executive and legislature find themselves entirely out of sympathy, and even in open opposition. Towns, when they become "circle-free," still maintain their old organisation and do not adopt a constitution similar to that of the Country Circles.

In the Province, state and local self-government executives are separate. That of the self-governing body consists of the Landesdirektor and his committee, elected by the Provincial Assembly, the committee holding office for six years, the Landesdirektor himself for twelve. The great weight of executive power lies with the Landesdirektor and not with the committee. The Provincial Assembly is elected indirectly through the Circle, the seats being distributed among the Circles according to population. In both Circles and Provinces the executive, like the Magistrat, possesses certain limited powers of initiative with regard to legislation and is responsible for drawing up the budget before it is presented to the Assembly. All important matters, however, are decided by the Assemblies, after joint sessions with the executives at which the official standpoint is explained and debated.

The Local Civil Service.¹

Local officials may be divided according to method of appointment into four classes. There are those who are appointed by the state, those who are directly elected, those chosen by the assemblies and finally those who owe their appointment to the executive itself. Classes two and three are also subject on appointment to approval by the state authorities in many Lands. Prussia, more than any other state, attempts to maintain influence over local affairs through the appointment of officials. In Class 1 come the Landräter. Burgo-master and certain members of the Magistrat, when directly elected, come under Class 2, when chosen by the assemblies under Class 3, which also includes the Circle and Provincial committees. All these officials may properly be called executive rather than administrative,

¹ Local officials and the staffs of local authorities are classed in Germany as civil servants.

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since they are chosen to a certain extent on party lines. Even the paid members of the Magistrat are party men in that party allegiance as well as technical qualifications is often taken into consideration at the time of appointment although they do not leave their posts on the election of a fresh assembly. These officials are given in Germany the suggestive title of "political officials." All others are appointed by the assemblies or executive on non-party lines. The old iniquitous system whereby no minor officials could obtain appointment except when adhering to the government party has been abolished by the stipulation that no applicant may be refused appointment because of his political views.

The rights and salaries of local officials are regulated by the Reich. The regulation of rights comprises stipulations as to appointment, holidays and pensions. Salaries have to be regulated according to Reich basic scales. Local additions are permissible, but Communal officials may not be paid more highly than Reich officials. The local authorities complain of the unnecessary complications and difficult negotiations concerning the grading of officials occasioned by the Reich regulations. The following are the average salaries paid to civil servants for the year 1925:—

(a) Reich civil servants		4,364 Rm.
(b) Prussian civil servants		3,994 „
(c) Municipal civil servants and permanent staff		3,426 „

It was formerly necessary for officials to have had a special administrative training. This is no longer the case as the work has become too expert. There still remain, however, a large number of schools where training in public affairs is provided.

The Functions of Local Authorities.

Local-government functions are divided in German into three categories, these being: delegated, compulsory and voluntary. It must be remembered that German local authorities have the power to carry out any services not expressly allotted to higher authorities. Delegated functions are such as are carried out on behalf of the Lands or Reich according to strict legal regulations. Compulsory functions are such as are imposed on the local authorities but are left to them to be carried out as they will. The earlier clear separation of delegated and self-government functions has of recent years begun to disappear, owing to the increasing financial participation, accompanied by *administrative* regulations, of Reich and Lands in tasks left legally to the local authorities for fulfilment. This is a state of affairs which is under modern conditions inevitable although extremely unpopular in Germany. That delegated functions are carried out on behalf of Reich or Lands does not mean that the latter bear even

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the greater part of the necessary expenses. This system was quite accepted in the past and was not considered as obscuring the boundaries of competence, since the financial participation of the local authorities in these services was accompanied by very little legislative control. The position is becoming increasingly difficult and from all sides arises the demand for administrative reform. It is now maintained that legal regulations should be accompanied by financial responsibility. Welfare, education and police are partly delegated, partly compulsory functions. Road-construction and drainage are compulsory functions. The most important voluntary activities are in the spheres of art and culture, in housing and business undertakings.

The duties of the higher local authorities are comparatively limited and confined to those activities which can best be carried out over a wide area. In Prussia the Provinces, as state authorities, have charge of the building and maintenance of main roads, though this is often delegated by them to the Circles; the same applies to local railways. As self-governing authorities they own, or are part-owners of, electricity undertakings, of reservoirs and irrigation works. They make grants towards the improvement of agricultural land, and the prevention of floods, while agricultural training colleges are supported by them. The Provinces are associated in the insurance of agricultural labourers against accident. They also maintain Life and Fire Insurance Departments, and contribute towards pensions schemes, including those for widows and orphans, for the officials of other communal bodies. The Provinces are further responsible for the maintenance of Banks. They are associated in Youth and Adult Welfare, in that they are responsible for such institutional relief as cannot be provided by the smaller authorities. They also administer the Provincial Employment Exchanges. The Provinces maintain a fund called the Provincial Aid Fund from which they help public utility undertakings and communal institutions by means of loans. This fund is financed mainly from loans, the maximum being settled by the state.

The Circles are mainly concerned with the administration of the Welfare and Public Health Services, with old age and health insurance, banking, housing and education, with lesser highways (except where the care of the main roads is delegated to them by the Provinces), with dykes and drainage and settlements on waste lands. They are also administrative police districts, while the Circle committees are the lowest administrative courts.

The powers of the Communes vary very much according to their size. The Town Circles combine all the functions of the Country Circles and Communes. Town Communes have wider powers than

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Country Communes, although the difference has been diminished by recent reforms increasing the powers of the Circles. Country Communes maintain local roads and have a school, a church and a cemetery. They carry out the laws relating to cattle-breeding and river-inspection. They often own a certain amount of property, including an inn with a hall used for meetings and festivities, gardens, woods and meadows. Occasionally a remnant of mediæval communism is to be found in the form of a bakery, while a possession common to new and old times is the public threshing-machine. Town Communes may have their own police,¹ their own "middle" and secondary schools, and they may carry out welfare and public health services when these are delegated to them by the Circles. In like manner they are sometimes responsible for housing. They own perhaps a gas-works, an electricity station and water-works, gardens, forests and farms. The method whereby Country Communes may become municipalised varies greatly in the different Lands. In Prussia application used to be made to the Ministry of the Interior, but in future if the population of a Country Commune reaches 15,000 it will automatically become a town. There are, however, chartered towns whose population is much less than this.

Central Supervision and Control.

According to the Constitution of Weimar, Art. 17, Communal Legislatures must be elected on the basis of universal suffrage and according to proportional representation. The Lands can make the vote depend upon one year's residence and raise the voting age above twenty, but cannot narrow the range of voters. According to Art. 10, the Reich can lay down the fundamental regulations concerning the rights of all civil servants, local as well as national. The Reich has also interfered by means of legislation in other fields, notably in the case of welfare, finance and taxation. Education is to follow. There are no direct administrative relations between the Reich and the local authorities except in so far as the raising of foreign loans is concerned. These have to meet the approval of the Reich Advice Bureau.

²Land regulation is three-fold. It consists of constitutional and administrative regulations and the legal control of certain services. The Lands lay down the principles of election within the limits set by the Constitution of Weimar. Some latitude is left with regard to constitutional forms. Towns are generally able to choose between the Burgomaster or Magistrat systems, although, according to the latest Prussian proposals, those towns which already have the Burgo-

¹ In the agricultural districts and in the larger towns the police force is under the direct control of the State. Only in small and middle-sized towns does it remain a communal body.

² i.e., State.

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master system may have to maintain it. The Lands also draw up regulations concerning the use of the initiative and referendum for local affairs.

The legal control of certain services arises generally from the delegation of state functions, although services originally started by the Communal authorities may later be regulated by the state and treated as delegated functions. Legal regulation is most thorough in the spheres of education, police and welfare. Housing is also to some extent centrally regulated.

Administrative control is most diverse in the different Lands. Nowhere is the English system of control through the granting of powers prevalent, since residual powers rests with the Communal authorities—the exception being that when local authorities wish to proclaim the monopoly of certain undertakings, they must first obtain the permission of the local supervisory state boards. State supervision is in general concerned with ensuring that local authorities do not offend against the law and that compulsory functions are carried out. In some Lands, local budgets have to be submitted yearly to the immediately superior state board for approval, in order to ensure that adequate provision is made for the compulsory services. The state authority may itself frame a budget if the local authority, within a given period, fails to reach agreement. Local accounts are in every case subject to state audit, while the raising of loans is in most Lands subject to state approval, at any rate in so far as provisions for interest and redemption are concerned.

State supervision is carried out, not by the central authority but by the local state officials.

Recent Tendencies in German Local Government.

There is a present tendency in German local government towards the formation of larger administrative areas, both by the combination of adjacent Communes into single districts and the establishment of *ad hoc* unions for particular purposes. Further, the Country Circles have gained power at the expense of the Communes.

The conditions for combination are specially strong in industrial areas, where growing residential suburbs cannot efficiently carry out the necessary public services or where the boundaries of hitherto independent authorities adjoin, so that administration by one authority over the whole area becomes most effective and economical. It is thus natural that the greatest number of combinations is taking place in the Ruhr and Westphalian industrial areas.

The legal basis of combination is to be found in the various ordinances concerning the constitutions and powers of local authorities. Local authorities may unite either when the parties are unanimously agreed, or when combination is deemed to be in the public interest,

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in which case it may be imposed by the state. Public interest is taken to be proved when a rural Commune is not able to carry out its duties, when new settlements necessitate the alteration of boundaries, when an *ad hoc* union for special purposes is impossible or insufficient, or when, according to the housing law of 1918, combination is necessary for the provision of houses. The Communes do not require to obtain a special law when uniting by agreement; the decision has simply to be ratified by the Superior State Board, with possible final appeal to the Minister of the Interior. The powers of the Communes to unite without obtaining legal sanction are strongly resisted by the Country Circles, especially in the West German industrial area. They demand that a special law should be made necessary whenever the Circle boundaries are disturbed by combination of the Communes. They claim compensation for the loss of territory involved and demand that the Landrat should be given power to participate in the preliminary transactions. They also desire the creation of a bureau to represent the rights of the superseded Communes. The attitude of the Country Circles, especially with regard to compensation for the loss of territory, is very much that of a vested interest. That the Country Circles have suffered through combination of the Communes is certainly true, many of them having been dismembered. This has led to a reorganisation of Circle boundaries. It is remarkable that the Circles have no corresponding powers of voluntary combination themselves.

The formation of *ad hoc* unions is sometimes viewed as an alternative to combination where it is desired to obtain the advantages of centralised government for certain purposes, while retaining local autonomy for others. Its significance is, however, much greater. Different services are not of necessity best carried out over one and the same area and the formation of *ad hoc* unions provides a means of adaptation to the special circumstances of each undertaking. These unions can be both voluntary or compulsory. If voluntary, the participating authorities have to draw up an agreement in the prescribed form, and present it to the immediately superior state board (Circle or Government District committee) which then modifies the plan submitted or ratifies it in its given form. Appeal against the decision may be made to the chairman of the state board, but only on the grounds that it is illegal or oversteps the powers of the board. Compulsory unions can only be formed for the purpose of carrying out services which all the authorities concerned are legally bound to perform, if such unions are deemed by the state supervisory board to be in the public interest. In this case the Higher President has the power to enforce the formation of a union through the medium of the Circle or Government District Committee, if one third of the

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participating authorities recommend such a union or a higher authority responsible for the supervision of local authorities does so. The Higher President himself prescribes the form of the compulsory union.

In addition to these communal unions there are other *ad hoc* unions enforced by the Lands, which regulate, across the boundaries of the Communes, Circles, Government Districts and Provinces, the formerly purely communal services of drainage, water-supply, tramways and housing. This is particularly the case where in thickly-populated areas there are powerful Country Circles which resist the extension of the towns. The Ruhr Town Planning Union, for instance, regulates inter-communal town-planning, traffic and open spaces, quite independently of communal or provincial boundaries.

Certain unions deserve special notice. There are in various parts of Germany Communal Associations inserted between the Communes and the Circles (or their equivalents) which have gained as much if not more importance than the Communes themselves. These are notably the "Landburgermeistereien" of the Rhineland, and the Westphalian "Aemter." They differ from *ad hoc* unions in that they form a further regional organisation and are responsible for carrying out many services. They themselves participate in other unions.

The organs of the *ad hoc* unions are the union committee and the chairman. The committee is elected by the participating local authorities, Burgomasters automatically becoming members. The unions are corporations under public law and can raise taxes, fees and dues. One peculiarity of the Prussian law needs notice. Provinces are not included among the authorities empowered to make *ad hoc* unions, it being felt that their predominant character as state supervisory boards unfits them for this purpose. In practice, when Provinces participate in such unions, which they increasingly do as their interest in industrial undertakings grows, recourse has to be had to special laws, such as those regulating the water companies of the Rhine and Westphalian industrial areas and the Ruhr Housing Union. In other cases the unions take the form of companies under private law.

Apart from these alterations in organisation, alteration is taking place in the distribution of power. Functions are being increasingly centred in the Circles at the expense of the Communes. Housing and Public Welfare can be taken as examples. Financial power has also been altered in favour of the Circles. The process of centralisation is almost inevitable under modern conditions, since services become less and less suited to administration over small areas. The smaller Communes naturally resist the tendency. Centralised administration, they claim, is by no means always more economical than local, in

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fact the costs of administration are often thereby increased. The spirit of local government also suffers. That close interest and participation in local affairs which is possible where the unit of government is small disappears when it becomes large and the influence of the individual remote. It must be noted that for certain services, for instance welfare and housing, provision is made for the delegation by the Circles of those functions to such Communes or smaller communal associations as they consider fit to perform them.

Nature of German Local Government: A Summary.

German local government is both narrower and wider in its scope than English. Certain services, such as police, primary education and large parts of Welfare and Public Health are to a considerable extent directly under state control, whilst others are carried out by the local authorities simply on behalf of the state and according to detailed state regulations. On the other hand the sphere of local activities is legally unlimited. The whole important field of commercial and industrial enterprises is left open to local authorities while they have long played a leading part in the furtherance of culture. The modern system of German local government originated at a time of strong reaction against centralisation and developed later under a paternal régime. Great advances were made under the old system and the history of German local government exemplifies the fact that it is easier to democratise a paternal government than to socialise a democratic one when the democracy is unsocially minded owing to the actual if not legal predominance of anti-social interests. The framework of German local government is hierarchical. This system has the advantage that state control is carried out by local state officials with an intimate knowledge of local affairs. The vast edifice of local government is, however, much too complicated and cumbrous to be really economical. In the first place the units are for modern conditions too small, in the second, important matters may be deferred from one body to another for decision, while several bodies are sometimes in the position to give conflicting orders.

No study of constitutional forms and administrative systems is sufficient to give a true picture of the condition of German local government. Wide as is its scope, it is being limited in two ways. Central regulation of services is constantly increasing, while financial freedom is diminishing. An analysis made by the German Union of Towns for 1925 showed that about 80 per cent. of the expenditure of local authorities was on delegated and compulsory services. Local authorities are now roused to demand that so-called state services should be largely if not entirely financed by the states. Otherwise the freedom of German local authorities will soon be rather a noble conception than a fact.

The New Transport

The New Transport and its Administrative Problems

By Sir CYRIL HURCOMB, K.B.E., C.B.

[Paper read before the Institute of Public Administration,
19th February, 1931]

THIS paper reproduces some remarks which I made about a year ago at one of the Institute's monthly luncheons, prompted by a statement which had fallen a little while before from the lips of Mr. Gibbon. "Public Administration," he had said, "is not up to the needs of modern conditions." I was thus led to ask myself how far the statement was true in regard to the particular branch of administration with which I am concerned. Transport, since the War, has developed, under the stress of many inventions and changed economic conditions at a pace and in directions bound to create new administrative problems, and, in determining for me the title of my address Mr. Corner can plead some justification for using the phrase—the New Transport. There has been such a Renaissance of the Road and such a Re-formation of our Railways as to produce a new transport era.

How far has public administration recognised and kept pace with the altered state of affairs? In attempting to answer this question I shall not attempt at the same time to discuss the whole subject of the State in relation to the administration of transport (on which Sir Lynden Macassey has just addressed the Institute of Transport) or to pursue in detail particular aspects of the regulation of Transport. I shall confine myself to describing a few of the main administrative developments in relation to transport by rail and by road since the war and the views of the Royal Commission on Transport, as contained in their recent report, on what, I suppose, is the problem of problems in this matter, the co-ordination of all the various forms of transport in Great Britain.

In transport, as in other matters, the Great War produced and precipitated great changes. It left the railways in the possession of the Government, and entailing a heavy burden on the Exchequer. It left the canals also in the possession of the Government under a

similar financial guarantee. Nearly every tramway and dock authority in the country was dependent upon emergency orders for the charging powers essential if they were to remain solvent. The roads had necessarily suffered neglect, and in many districts exceptional strain, and it was obvious that the highway authorities of the country would be faced with growing expenditure and a demand for new types of road to meet a new traffic of increasing volume.

As a contribution towards the reconstruction of our economic life, steps were taken in 1919 to concentrate, in a new Ministry, the powers relating to inland transport previously scattered among a number of departments, of which the Board of Trade was the chief. Civil aviation retained and still retains a home in the Air Ministry; the Board of Trade retains control of coastwise with other shipping, and of questions relating to navigation, pilotage, and similar matters which affect harbours and docks. But all other powers relating to railways, light railways, tramways, canals, harbours, docks, ferries and roads throughout Great Britain were transferred under the Ministry of Transport Act, 1919, to a new Ministry which was entrusted to a specialist Minister in the person of Sir Eric Geddes, who had been responsible for framing the Act.

It may be noted in passing that, in the process of collecting powers, the Ministry of Transport also collected an odd assortment of national properties. The harbours of Ramsgate and Holyhead, and the Crinan and Caledonian Canals are nationally owned and nationally operated. One simple and perhaps sufficient reason (not, I venture to think, result) is that they do not pay. Add the Menai Bridge to the list and you have before you the extent to which the State itself owns means of inland transport as distinct from regulating the transport owned and provided by private or local enterprise.

If we turn now to the problems which arose in connection with the various forms of transport, the railways first claim attention. Statutory undertakings are normally dependent upon powers of charge limited by statute, and charges based upon pre-war values were clearly rendered inadequate by the alteration in the value of money. While passenger fares had been raised during the War, with a view to restricting train mileage rather than increasing revenue, no increase had been made in freight charges, although the rise in wages and in the cost of material had brought railway expenditure to a level which was involving a heavy burden on the Exchequer to meet the guarantee of the 1913 net receipts which had been the financial basis of the arrangement for control. Heavy arrears of maintenance had accrued and capital expenditure had fallen into arrear. It was obvious, therefore, that a drastic revision of charging powers could no longer be deferred if financial equilibrium was to be restored.

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"The drain upon the railways and the disturbance of the normal flow of traffic made an immediate return to ordinary competitive working impossible" (Cmd. 654 of 1920)—and apart from any question of simply handing back the railways to the individual companies which owned them, the Government was not free to take such a step since an undertaking had been given in September, 1916, to extend the period of the guarantee for two years after the termination of the War. The Act of 1919 conferred exceptional powers upon the new Minister for a limited period of two years, "with a view to affording time for the consideration and formulation of the policy to be pursued as to the future position" of the undertakings to which the powers granted applied, and the Railways Act of 1921 was negotiated, framed, debated and passed within the two years prescribed. It ended the Government's control and inaugurated a new scheme of railway organization and regulation.

The Act stopped short of unification of the railway system but, leaving aside certain light railways and other miscellaneous small lines and the important group of electrified lines in the London area, the remaining railways of Great Britain were amalgamated compulsorily into four large groups, now becoming familiar under their new names. These groups were in all cases formed by simple amalgamations and in no case by dividing up the lines of an existing Company between one or more groups. The grouping was broadly determined on the basis of operating convenience and efficiency and with a view to eliminating competition over large areas, though competition was by no means eliminated altogether. A more logical grouping might have resulted if geographical or operating considerations had been exclusively regarded, but it was felt that the amalgamation of complete undertakings would avoid the great financial and other difficulties and the consequent delays which would have followed upon any attempt to truncate the existing systems. The basis actually adopted was clearly the right initial step.

It should also be noted that the separate Companies were entirely merged in the new railway units and ceased to retain any independent existence. If the new managements were to have the fullest opportunities to effect a complete internal consolidation of their new systems, to impose a centralised commercial and technical direction and to secure the maximum economies, it was necessary to extinguish any vestiges of separate interest. The proposals made in some quarters for securing co-ordination through the formation of holding or finance companies to control the individual lines would have fallen far short of the needs of the situation.

It is not my present purpose to comment upon the administrative problems which the amalgamations created for the new railway

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managements themselves. The internal organisation of an industrial unit of the nature and magnitude of any of the four railway groups is a problem in itself and it is one which different companies have approached on somewhat different lines. It cannot be said that there is any settled or agreed technique in the matter. Members of this Institute can hardly fail to be interested in the various types of organization suitable for handling these huge concerns, which by reason of their statutory position and other characteristics are bound to administer themselves in many respects on principles not very different from those applicable to the conduct of a Government Department itself; and if a railway manager could be persuaded to handle the topic at one of our meetings we should derive both pleasure and instruction from his exposition. Meanwhile, I would commend to your notice a most interesting paper on the subject, by Mr. Frank Pick, which appeared in the *Journal of the Institute of Transport* for April, 1930.

The methods adopted for bringing the railway amalgamations into being were effective. The Act scheduled the various lines to be absorbed and amalgamated in each group, and as regards terms laid down a general basis for the guidance of the Amalgamation Tribunal, which it named. The companies were given a limit of time within which they might agree schemes of absorption and amalgamation with one another, but the Act provided that, if agreement had not been reached by the requisite date, the Tribunal should settle the matter for them. This was a most salutary provision, and the result was that, by a series of agreed schemes, over 130 companies were reduced to four in the course of less than two years, at an administrative cost of a few thousand pounds. Only one serious difference was referred to the Tribunal, and appeals to the higher courts were confined to a few points of special character relating to individual small lines. In the United States of America, the Transportation Act, passed in 1920—a year earlier than our own Act—did not go to the length of imposing a statutory grouping, but directed the Interstate Commerce Commission to prepare a tentative scheme for consolidating the railroads. At the end of 1929, the Commission published a statement grouping the railroads into 21 groups as a basis for negotiation, but this tentative scheme, formulated after such long delay, was not acceptable to the operators. Quite recently, four of the important lines in the Eastern States are reported to have agreed to a scheme of amalgamation which they are submitting to the Commission; but it cannot be said that any scheme of grouping under the Transportation Act, 1920, has yet been definitely settled. It must be admitted that our own process of amalgamation was comparatively simple, thorough and swift.

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In setting up the Big Four railway units, which then appeared to be more monopolistic in character than they now are, Parliament, in accordance with its traditions, took steps to impose what is formally a somewhat elaborate control over certain of their activities. In this respect, the most important and the most novel provisions of the Railways Act, 1921, are those relating to the fixing of rates and charges.

The powers of charge of the old companies were contained in the special Acts of each of them as regards fares, and as regards rates were fixed by Orders made under the Traffic Act of 1888 and confirmed by Acts passed three or four years later. The Confirmation Acts fixed the maximum charges which the companies were entitled to levy, and within those maxima the companies were originally at liberty to make what charges they liked. This liberty was, however, curtailed by an Act of 1894, which laid down the principle that, if a company sought to increase any charge and complaint was made that the increase was unreasonable, the company must prove that the increase was reasonable; and for this purpose it was not enough to show that the charge was within the statutory limit. This naturally made the companies very chary of reducing a rate even experimentally, since they might fail to sustain the burden of proving that a subsequent increase was justified, if they found that they had gone too far. Under this system the companies fixed actual charges of general application, ordinarily known as "class rates," within which they were free to grant to traders special or exceptional rates. It has been estimated that there were 60 to 80 million such rates in existence and on the rate books of the companies, and that about 75 per cent. of the total traffic passed at one or another of these rates.

The Act aimed at sweeping away the whole of the complicated and inelastic system of charge based upon Parliamentary maxima fixed separately for each company, and substituted for it a scheme under which a Tribunal fixes, reviews and, if necessary, revises standard charges which the companies must make, though still leaving them a wide latitude as regards exceptional rates. The machinery by which this new system is administered merits a little attention. A new administrative Tribunal was established—the Railway Rates Tribunal—consisting of three permanent members, with whom there may be joined additional members of special competence, to be drawn from representative panels, for the purpose of special proceedings. The permanent members consist of a president, who must be an experienced lawyer, a person experienced in railway matters and a person experienced in commercial matters. The Tribunal is appointed by His Majesty on the joint recommen-

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dation of the Lord Chancellor, the President of the Board of Trade and the Minister of Transport. The cost of the Tribunal, in so far as it is not met by fees, is apportioned among the amalgamated railway companies. They make an annual report, which is laid before Parliament, and the Minister is both entitled to be heard at their proceedings and bound to give them such assistance as they may require and to furnish them with such information as he considers relevant. The right has been exercised on several occasions and the duty is constantly discharged.

The Tribunal was directed to fix the rates, fares and charges of each amalgamated company in the first instance at such a level as would, together with their other sources of revenue, in the opinion of the Tribunal so far as practicable, yield, with efficient and economical working and management, a standard revenue equivalent to the aggregate net revenue in the year 1913 of the constituent and subsidiary companies in the group, together with certain allowances in respect of new capital expenditure or expenditure which had not fully fructified in the base year.

It will be observed from the phrasing of the section that a substantial administrative discretion is given to the Tribunal. The Tribunal may take into account the financial results obtained from the operation of any ancillary and subsidiary businesses carried on by a company (such as a hotel or dock undertaking), and if satisfied that the net revenue therefrom is unduly low, having regard to the circumstances, make such deductions from the railway charges which would otherwise have been fixed as they think proper. This is an ingenious method of enabling the Tribunal to fix charges for railway services at a lower level than they would otherwise be prepared to sanction if they think that a subsidiary business is not being made to yield an adequate revenue, but it has not in fact yet been applied.

The Tribunal is also directed to have regard to the means which in their opinion are best calculated to ensure the maximum development and extension in the public interest of traffic by rail, and are to ascertain the effect which existing charges have had upon the traffic to which they are applicable.

In fixing charges, the Tribunal is to have regard to efficiency and economical working and management; and it may be asked where any standard of efficiency and economy is to be found. One answer, though a broad one, may be found in the application of the principle of "publicity and measurement." In addition to empowering the Minister to prescribe the manner in which the accounts of the companies are to be compiled, thus among other things occurring uniformly, the new legislation extended the statistical infor-

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mation required of railway companies in many important directions. It was generally felt by those interested in railway operation, about the beginning of the present century, that an improvement in the statistical methods of the companies was overdue. The statistical information then published was alleged to be "jejune." A substantial advance was made by the Railway Companies (Accounts and Returns) Act, 1911, but this Act left much to be desired. In particular, it failed to require the compilation of ton-miles—a statistic without which the measure of work done is lacking. The Ministry of Transport Act, 1919, enabled the Minister to obtain a wide range of returns and statistics from the railway companies; and these powers were fully exercised, and were made permanent by the Railways Act, 1921. As a result, the Rates Tribunal has constantly before it a broad picture of the operating efficiency of the railway companies so far as that can be supplied by comparative statistics. There is, of course, a risk that statistical compilations may become stereotyped and cease to stimulate thought; they need, therefore, to be looked at afresh from time to time. The Royal Commission on Transport has suggested that the present requirements might be reviewed with the object of seeing whether the number of returns might be reduced and their form simplified. The Ministry of Transport has always been willing to review its requirements in these matters and has made a point of requiring, as far as possible, information which is also valuable to the undertakings themselves for their own purposes.

It is now generally recognised that no large and complicated business can be directed without the aid of accurately focused statistics. The business of most transport undertakings, and not railway companies only, lends itself readily to this treatment. Provided the information collected is quickly made widely available to those who can use it, there are few branches of activity which are more properly undertaken by the central government than the compilation and effective presentation of statistics. It has been the aim of the Ministry of Transport to bring its methods and the methods of transport undertakings themselves up to date. This has already been achieved in the case of railways and of tramway undertakings, while an annual census of road vehicles and a biennial census of traffic on each class of classified roads are also now obtained. Under the Road Traffic Act, 1930, a beginning is at last being made to obtain some uniform information as to the rapidly growing volume of passenger transport by road, a field in which, outside London, accurate knowledge has hitherto been largely wanting.

There is another way in which the Railways Act, 1921, gave to the Minister a new power of administrative interest. He is able to

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encourage and even require standardisation. In the terms of the section, he may "require or authorise railway companies to conform gradually to the measures of general standardisation of ways, plant and equipment (including methods of electrical operation, type, frequency and pressure of current)." In the important matter of electrification, steps have been taken to secure uniformity of practice and to safeguard the future. Encouragement—though not by formal order—is being given to the wider adoption of the 20-ton wagon: for the rest formal action has not hitherto been attempted. It was said at the time of grouping that "to amalgamate is to standardise," and the saying has obvious force. But it is not the whole truth, and four companies may be enough to display divergent tendencies in matters where the practice of one might with advantage be the practice of all. A right to enforce common standards may be valuable in the last resort. In practice, however, in matters relating to the commercial and technical side of railway operation and development, we tend to keep such powers as the State possesses in reserve for matters of national scope and importance and to refrain from the detailed and constant intervention in management practised, for example (for reasons which no doubt are good in a different atmosphere and in different circumstances), by the Inter-State Commerce Commission and the Public Utility Commissioners of the separate states in the United States of America. These bodies are, for example, concerned to intervene in such matters as the use of containers and the number of agents to be employed at particular stations. A study of their action in these directions, and consideration of the difficulties encountered in working out the principles of the Transportation Act, make it difficult to resist the impression that our administrative methods are swifter, less vexatious and probably in the long run no less efficacious in protecting and securing the public interest.

There is one respect in which the scheme of rate-fixing contemplated by the Railways Act has not been realised. In 1921, the rapidity and extent of the growth of road competition could hardly be foreseen, and it was hoped that it would be possible to extinguish a very large number of the exceptional rates which cumbered the rate books in tens of millions, and to raise the necessary revenue largely by the standard charges fixed by the Tribunal. On the principle that charges should yield, so far as practicable, a standard revenue, it is obvious that every payer of rates and fares who is called upon to contribute his quota has an interest in seeing that no other user of the railways pays less than the quota. Exceptional rates were, therefore, regarded as departures from the true theory or system of rate-making, and as such properly subject to special super-

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vision. In leaving the railway companies a wide latitude to quote exceptional rates, the Act imposed a condition that such rates should be reported to the Minister, who is in turn required to refer the matter to the Tribunal if, in his opinion, new exceptional rates are being granted so as to prejudicially affect any class of users of the railways not benefited by such rates or so as to jeopardise realisation of the standard revenue. If the exceptional rate is very close to the standard (less than 5 per cent. below it) or is very much below it (more than 40 per cent. below the standard), the prior sanction of the Tribunal is required before the rate is put in operation.

The growth of road competition has largely frustrated this hope of simplification of railway rates. A vast number of rates in force under the old system was carried forward under the provisions of the Act, the approval of the Tribunal being obtained where necessary; and the railways reported to the Ministry of Transport in 1928 over 100,000 and in 1929 145,000 additional new exceptional rates. In 1930 the number reported was 110,000, so that the railway companies have been adding to their exceptional rates at the rate of 2,000 to 3,000 a week. The elasticity of the system prescribed in the Act may, however, be illustrated by the fact that about 90 per cent. of the total rates granted are within the discretion of the companies to grant, subject merely to reporting them. The Tribunal sits at frequent intervals to deal with applications which require its prior sanction, and the convenience of resort to a specially constituted administrative Tribunal is well illustrated. A more rigid statutory scheme of restriction or of procedure would certainly make the commercial operation of the companies very difficult and unduly hamper them in competition with the roads.

The policy and method of amalgamating the railway companies was effectually carried through "according to plan," and, although no one has succeeded in measuring the amount of the economies which have resulted from the amalgamations, as distinct from other causes, there can be no doubt as to their reality. The part of the Act which relates to rates and charges, on the other hand, has been brought into operation in times of peculiar difficulty and in circumstances not anticipated by the authors of its provisions. The prolonged depression in the heavy industries and the rapid growth of road competition have created a situation which could not be fully foreseen.

The main criticism directed against the conception of a standard revenue was that it would necessarily involve an increase in charges in times of depression, when such an increase would add still further to the difficulties of traders, reduce the volume of traffic, and so react on railway receipts, with the consequence that the companies

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would be driven round a vicious circle still further to increase their rates. While any such dilemma has hitherto been avoided, the position obviously remains one which must tax the statesmanship of all those concerned in the working of the Act, and it would be premature to form any final conclusion as the particular scheme of regulating railway charges by reference to a standard revenue upon the experience of so exceptional a period and until the relationship between rail and road transport has reached a further stage of adjustment.

The growth of a new competitor, in road traffic, has thrown into relief the extent to which the railway companies are regulated in their commercial operations by statutory provisions and restrictions. A good deal has been said about the "bondage" in which the railways are held in thrall as a result of a century's output of traffic and regulation Acts relating to undue preference and other matters. The carrier by road is free to pick and choose his traffic, and is under no obligation to afford equal and regular facilities to all traders similarly circumstanced. The railway companies, on the other hand, are in many directions carried on under the conditions of regulated monopoly. The Royal Commission appear to have found difficulty in obtaining specific proposals for removing or mitigating disabilities of this kind, and this no doubt accounts for the absence of definite recommendations from their report. In general, however, they express the opinion that the present system of regulating rates and charges appears to work satisfactorily, and they say that they are not prepared to disturb it. The practice of dealing with exceptional rates, to which I have referred, shows that it is possible to apply a statutory machinery in a businesslike way, and generally I think it may be said that Parliament has succeeded in its aim of providing a suitably constituted administrative Tribunal which can consider the essentially economic question of railway rates, so far as possible, in an atmosphere removed—to quote Sir William Acworth's phrase—"from the rigidity of Statute Law." Further elasticity may have to be introduced, and the advisability of limiting the freedom of the railway companies to quote competitive rates and the necessity for maintaining the elaborate classification of merchandise, for which they themselves sought the approval of the Tribunal a few years ago, will doubtless continue to be called in question. Another line of approach suggested to the Royal Commission was that greater control should be exercised over carriers by road. This avenue also is likely to continue to call for exploration. It would indeed be tempting to go on to examine how far the advent of road competition, basing its charges largely on cost, affects the theory and practice of railway rate-making, which was founded on the older

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principle (applicable to a monopoly with a high proportion of fixed capital), of charging what the traffic will bear. But this is not a question for this evening.

In any case, old methods and principles, sound and sufficient during a century of supremacy, need and will receive overhaul and adaptation; and it cannot be supposed that, after a mere hundred years of life, the railway system has reached its final stage of development or organization.

When one turns to the roads, it is difficult to resist the force of Mr. Gibbon's stricture that public administration lagged behind modern needs. Yet here also much has happened during the last two years.

In highway administration the Roads Act, 1920, marked a great advance. The establishment of a Roads Department as part of the new Ministry and the extension of the powers to make grants to highway authorities for additional purposes, including maintenance, enables the central government, in co-operation with the highway authorities, to bring the road system of the country up to modern requirements and to introduce into highway engineering practice standards which, while not aiming at rigid uniformity irrespective of circumstances, enable us to regard the network of our roads as a whole. This is emphasized by the classification of roads according to their importance as links between centres of population. The central administration, in this and other ways, recognizes the national significance of the highway system without over-riding local responsibilities. It may be added that half the salaries of highway surveyors may be defrayed by grants from the Road Fund, and most authorities take advantage of such grants. Sir Henry Maybury pointed out, at the summer conference in 1924, that "a fruitful and serviceable partnership has been set up between district councils, county councils and the State, each of the parties accepting a degree of responsibility corresponding in some measure with the functions of these different grades or strata of administration. Broadly speaking, roads of local utility are maintained by the district councils, with only occasional help in special cases from county or State; while the upkeep and improvement of main roads is entrusted to county councils, who, in so far as the roads are classified, receive from the Government's Road Fund grants of 50 per cent. for first-class roads and 25 per cent. for second-class—a few exceptional cases receiving special treatment." He added that there was no reason to suppose that the terms of the partnership were immutably fixed for all time, and that as traffic conditions altered a revision of the scheme of classification and administrative responsibility might be expected. Since he spoke, the rates

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of grant have in fact been substantially increased and the system of highway administration has been reorganized. It became increasingly obvious that the resources of the smaller highway authorities, in money and in staff, would no longer suffice to meet the strain of providing roads for modern motor traffic, and, under the Local Government Act, 1929, rural district councils in England and Wales ceased to be highway authorities. The counties became administratively responsible for all roads in the rural districts as from the 1st April 1930.¹ This substitution of the larger for the smaller administrative unit was qualified by a compromise. The county was empowered to delegate the maintenance and improvement of roads to the districts, and, so far as unclassified roads are concerned, the districts were given certain rights of appeal to the Minister if the county refused to delegate upon their request. When the transfer of function took place, out of 639 rural district councils 257, or 40 per cent., secured delegated powers. Out of 208 appeals the Minister allowed 88. In the other 169 cases the delegation by the counties was voluntary.

It has become a commonplace of economic history that between the disappearance of the Romans and the general institution of the turnpike system this country perpetually lagged behind the needs of successive ages in respect of the maintenance and improvement of roads, and, writing of England in the reign of Queen Anne, Trevelyan puts his finger on the source of the trouble, then and long after, when he says: "The badness of the roads was due to the want of any adequate administrative machinery for their reconstruction or repair." This has been recognized and for the time being remedied. Whether the county itself is a sufficiently large unit to remain indefinitely the authority for through roads of a trunk character is a question which is likely to be raised from time to time in different quarters and from different angles, but meanwhile it may be noted that the Royal Commission has declared itself against a system of "routes nationales."

In regard to the regulation of road traffic, it is amazing to reflect that substantially no legislation was passed since the Motor Car Act, 1903, until a few months ago. Sir John Brooke, in a paper which he read to the Institute about a year ago, dealt with what was then the Road Traffic Bill and has since become the Road Traffic Act, 1930.

This absolves me from the necessity of dealing with its provisions in detail. So far as the control of traffic is concerned, the Act confers substantial powers on the administrator, subject to the

¹ In Scotland the county similarly assumed the responsibilities previously attaching to the district committees and small burghs.

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usual safeguards of consultation with the interests concerned and presentation of the regulations to Parliament. In this connexion I may remark, as a matter of some interest, that, although in accordance with the recommendation of the Royal Commission on Transport, the Bill as introduced gave the Minister no power to vary the speed limits laid down in the First Schedule, Parliament itself insisted on leaving that matter open to variation by regulation (subject, it is true, to affirmative resolutions by both Houses).

The Road Traffic Act has necessarily left a large number of technical and quasi-technical matters to be dealt with by departmental regulations; and in the exercise of those powers the Minister is required to consult, as he would in any case have done, representative organizations as he thinks fit. A great deal of care and time has been spent in ascertaining the views of the highly organized bodies interested in road traffic, but the consultations have extended also to organizations of pedestrians and bodies representative of agriculture, and have covered, I think, all possible users of the roads. The highly skilled officials of these bodies, while vigilant in the interests of their members, have rendered great assistance to the Ministry in the framing of regulations, and it may fairly be said that, even if the point of view of those affected by the regulations cannot always be met, it is at least appreciated.

New regulations as to the construction and use of mechanically propelled vehicles have already been made. They repeal or consolidate 26 previous regulations and orders and introduce some important new principles. Among them may be noted the requirements that all vehicles should be equipped with windcreens of safety glass, and that all mechanical transport, with exceptions for vehicles of quite special types or character, should, by 1st January, 1933, be completely equipped with elastic tyres. All motor cars and heavy motor cars (including lorries), and all trailers drawn by them, must be equipped with pneumatic tyres. All new vehicles registered after 1st January, 1933, must comply with this last requirement, and existing vehicles (if they have not exhausted their useful lives at an earlier date) must effect the change-over before 1st January, 1940. I mention these as instances of the way in which progressive tendencies already in train can be guided and expedited through judicious use of regulatory powers.

There are certain special features of the Road Traffic Act of which mention should be made in considering whether our administrative practice is up to date. In the first place, Section 54 provides for the issue of a highway code. This novel type of public document will be issued by the Minister in pursuance of the Act and with the express approval of both Houses of Parliament, but will

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not have statutory force in the sense that failure to observe its provisions will, in itself, constitute an offence. On the other hand, failure on the part of any person to observe any provisions of the code may be relied on in any proceedings, whether civil or criminal, as tending to establish or negative any liability which is in question in those proceedings. It is thus a code of advice given with authority to all users of the roads. It will come to be accepted as a code of manners, to be observed as a matter of course by all "courteous and considerate" persons, and those who deliberately ignore it will do so at their peril. As the code is meant to reach the minds of the public at large, whether they are motorists, pedestrians or equestrians, special steps have been taken to gather the widest range of opinions as to the provisions which it should contain. Organized bodies representing every class of road user, including pedestrians and those interested in horses and horse-drawn traffic, were asked for their observations and subsequently to attend a special conference to discuss the suggestions made. The Press has rendered useful service in the matter by making the draft code widely known and by focussing attention on important points.

The highway code is in another respect a novel type of public document. Avoiding the language of the lawyer and every kind of official jargon, it is couched in language which can be understood of the people and adopts the imperative mood throughout.

To the motorist it says, for example:—

"Remember that your horn should not be used as a threat."

To the cyclist:—

"Do not wobble about the road."

To the pedestrian:—

"Do not make a sudden dash into the carriageway."

Just as Parliament, in abolishing the speed limit for ordinary motor cars, was influenced by the probable psychological effect of its action in making people realise that speed is only one factor in dangerous driving, so the highway code aims at fostering a right psychology in all users of the roads.

With a view to promoting safety on the roads, the Ministry is also authorized to incur expenditure from the Road Fund in "disseminating knowledge or otherwise informing the minds of the people."

The Act, however, does not stop at advice and exhortation. It authorizes advances from the Road Fund towards any expenses incurred by a police authority in the provision and maintenance of vehicles or equipment for use by the police force in connection with the enforcement of the Act. These special mounted police units, untrammelled any longer by legal limits of speed, may be en-

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countered at any point on the highway system, and the prospect of meeting them is likely to exercise a sobering influence. The object of these police is, as the Home Secretary has pointed out, not merely the detection of offences, but the prevention of offences and acts which impede traffic or are likely to interfere with safety or the convenience of other users of the roads. The appeal to reason through the Highway Code, and the friendly correction of thoughtless behaviour on the spot by the mobile police will be potent influences in favour of better order on the road, of which, indeed, according to competent observers, there are already encouraging signs. Let me here say that these police units are neither spoken of nor thought of in the Ministry of Transport, the Home Office or the police force as "traffic cops," any more than motorists are called "road-hogs" or all pedestrians "jay-walkers." I once heard Mr. Stenson Cooke ask a witness before a committee whether he agreed that motorists as a body were "decent chaps." If we are to use colloquialisms, that is the kind to use, and, as our way of thinking is often influenced by our way of speaking, it is important not to miscall other groups of persons whom we meet upon the road, whatever their function or whatever their means of locomotion may be.

It is natural that questions affecting the individual motorist should have attracted most public attention, but I pass now to an equally important administrative reform. The Act makes an entire change in the system of licensing public service vehicles. Over 1,300 separate licensing authorities (and in many areas no licensing system at all was in force) will be relieved of their functions on the 1st April, and their jurisdiction will be exercised by twelve bodies of regional commissioners, three in number in each area. The Chairmen hold whole-time appointments, but their two colleagues are selected from panels nominated by the counties and by the larger urban authorities respectively. On appointing the chairmen, advantage has been taken of a wide field of choice, and the selection includes two lawyers, three chief constables and an experienced tramway manager. For the Metropolitan area a separate commissioner is appointed. The motor coach and the omnibus will in future be unable to operate without a road-service licence granted by these commissioners, who are directed by the Act to take into account a variety of important considerations in the exercise of their discretion to grant or withhold licences. They must be satisfied that the timetable of the service is such that the provisions of the Act relating to speed limits are not likely to be contravened. They are to have regard to the suitability of the routes, the extent to which the needs of the public are already adequately served, the extent to which

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the proposed service is necessary or desirable in the public interest, and to the needs of the area as a whole in relation to traffic, including the provision of adequate and suitable services, the elimination of unnecessary services and the provision of unremunerative services and also to the co-ordination of all forms of passenger transport, including transport by rail. They may take into consideration any representations in regard to these matters which may be made by persons already providing transport facilities along or near to the routes in question, or by any local authority in whose area the route or any part of the route is situate.

They may, further, attach to a road-service licence conditions for securing that fares shall not be unreasonable, that where desirable in the public interest they shall be so fixed as to prevent wasteful competition with alternative forms of transport (a statutory recognition of the undesirability of price-cutting and "piracy" on the high road), for controlling the points at which passengers may be taken up or set down or may not be taken up or set down, and generally for securing the safety and convenience of the public. It will thus be within the powers of commissioners to produce a coherent and co-ordinated system of passenger transport in their respective areas. Close touch will be maintained between the commissioners of adjacent areas. Where the vehicle runs through more than one area the formal backing of the licence by the commissioners for each area is required, and, as appeals from the decision of the commissioners lie to the Minister, there will be further opportunities for producing uniformity of administration in so far as that is desirable.

Here, again, I would ask you to note the marked degree of administrative discretion which is accorded to and indeed enjoined upon the Traffic Commissioners. They must, of course, act impartially and in a judicial manner and spirit. The statute itself, as I have shown, gives guidance, in considerable detail, as to the considerations to which they must or may have regard, but much is left to their skill and common sense in solving their problems. Concentration of the licensing work hitherto performed by over a thousand separate authorities, as well as that of licensing of thousands of vehicles hitherto unlicensed, in the hands of the twelve new bodies of commissioners involves centralisation on a formidable scale, and the establishment of this type of regional control over our latest public utility is an experiment in administration which will be watched with interest in its practical operation.

It may, then, be claimed that, so far as concerns the control of road traffic in general and the control and regulation of public passenger transport by road, the Legislature, greatly aided by the

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first two reports of the Royal Commission on Transport, has now brought the scheme of administration up to date. The detailed working out of the principles laid down will take time. It seems probable that passenger transport by road will tend to gravitate more and more into the position of a regulated monopoly. If the eventual structure of the industry can hardly yet be clearly seen, its main tendencies are easy to discern.

Municipal and other local authorities, in addition to owning about two-thirds of the tramway system, owned in September last no less than 4,865 omnibuses with a seating accommodation of over 14 persons, out of a total of 41,629 such vehicles licensed, or nearly 12 per cent. The Act facilitates the grant of additional powers to run omnibuses to local authorities, if they are already empowered by Parliament to run transport services by road, by substituting application to the Traffic Commissioners for procedure by Private Bill.

As the Act also facilitates working agreements between local authorities and one another and with companies or persons engaged in providing road transport services, co-ordination between the services of adjacent municipalities and between those conducted by municipal enterprise on the one hand and private enterprise on the other is possible and is in various forms developing in many areas. Important agreements have, for example, been made between the railway companies and some of the large boroughs in Lancashire and Yorkshire.

Within the ranks of private enterprise there are the statutory railway companies and a number of large omnibus and motor coach companies which are not statutory concerns. The railway companies have not used their new powers to run road services themselves on a large scale, but have adopted a policy of investment and joint management of existing passenger undertakings. They have usually refrained from acquiring more than a 50 per cent. interest, thus stopping one per cent. short of the holding required to give formal control. The full extent to which this investment (already amounting to about £9,000,000) will be carried, as well as the length to which the policy of amalgamations of existing non-statutory road companies will go, have yet to be witnessed. Lastly, the function and the rightful place of the small man, operating a few vehicles in a more or less local service, in relation to large-scale enterprise, whether municipal, railway or private, has to be determined. One must recall, in this different context, the remark made by Robert Stephenson, nearly eighty years ago (in 1853), to a Select Committee on Railway and Canal Bills: "Where combination is possible, competition is impossible." Rapid developments

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are certain, and we may look for a growing tendency to consolidate interests and pool resources, which may in turn call for some further strengthening of control. There will be no lack of problems to keep the new Traffic Commissioners busy, but, guided by considerations of public interest, they will no doubt be able by their decisions, as time goes on, to secure efficiency and economic progress. In the sphere of road passenger transport, the pressing problem of co-ordination may be said to be already on its way towards solution.

What can be said of goods transport? The Royal Commission heard much evidence on this point. The persons employed and certain groups of employers were strongly in favour of a licensing system for goods transport by road, while the Commercial Motor Users' Association were as strongly opposed to anything of the kind. The Commission concluded that it would be greatly to the advantage of the road haulage industry itself if it were placed on an organized basis and that the organization of the industry was an essential precedent to any attempt at general co-ordination with other forms of transport. They were struck by the mass of "statutes, agreements, rules and practices" which bind and to some extent fetter railways, inland waterways and shipping, as compared with the freedom of the firms and individuals engaged in goods transport by road, who, "while endeavouring to compete with other forms of transport, are at the same time engaged in bitter and uneconomic strife with each other in their own particular branch." They therefore recommend that road hauliers, namely, those holding themselves out as willing to carry the goods of others for hire or reward, should be placed under a system of licensing to be administered by the area traffic commissioners established for passenger transport. The Road Traffic Act has already applied to goods vehicles provisions relating to compulsory insurance against third-party risks, the limits of time for which drivers may remain continuously on duty, and the physical fitness and ages of drivers. The Royal Commission recommend that road haulier's licences should embody two further conditions, both now imposed on those operating public passenger vehicles, namely, the fitness of the vehicles, and consequent liability to inspection at any time, and the application of the Fair Wages Clause with a view to ensuring adequate conditions of employment. Whatever may be the fate of these particular recommendations, there is a growing willingness to recognise that we cannot afford unrestricted competition in transport, and the commission evidently regard goods transport by road as the immediate field for new co-ordinating action.

In regard both to docks and to canals the Commission suggest that a more economic unit of organization might be found. For

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canals they re-affirm the view of previous investigating bodies that public trusts should be formed, and propose that, failing the submission of voluntary schemes within a short period, the Minister of Transport should take steps to set up such trusts, which would acquire such canals as he considers it would be in the national interests to preserve and improve. They do not, however, deal with the crucial question of finance which must arise out of any such proposal.

As regards docks and harbours, they appear to have been impressed by the argument presented to them that the best kind of authority to own docks and harbours is a public trust, and that it should be to the public interest if such trusts were not confined to single ports, but controlled all the harbours in a particular coastal region. When, however, the matter is looked at in detail, they point out that many of the railway-owned harbours are in the nature of railway stations, that many of the remainder are used exclusively for the shipment of coal, all of which arrives by rail, and that in other instances railway-owned ports, such as Southampton and Hull, can show conspicuous development. Their recommendation, therefore, remains qualified.

Taking stock of the position at this point, one may say that the Commission regarded the co-ordination of the railways with one another as sufficiently, though perhaps not fully or finally, provided for by the Railways Act, subject to elimination of joint lines and some further pooling of resources. Whether consolidation should be carried further under the basic principles of that Act they do not discuss. The canals, they suggest, should be amalgamated under a number of public trusts, and some regional grouping of docks might be considered. In passenger road transport, the bold scheme of internal co-ordination recommended in the two previous reports of the Commission is already embodied in the Road Traffic Act, 1930. Covering not only omnibuses, motor coaches and trams, the scheme offers also opportunities for co-ordination of rail and road passenger services. The latter process is being helped and accelerated by the acquisition by the railways of substantial interests in road service organizations. The Royal Commission expect that by similar methods the railway companies will extend the area of co-ordination in the carriage of goods by road, and, with a view to introducing greater stability and order into the services of road hauliers by goods, they recommend that such hauliers should be licensed by the area traffic commissioners just established.

But when one passes from the problems of the internal co-ordination of rail transport as one system, of passenger road transport as another, and goods transport by road as a third, to

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the wider question of the co-ordination of all the different forms of transport with one another, one passes indeed to a question about which many people talk and think nowadays, but to a task which it proved difficult even to investigate along definite and practicable lines. For that very reason, it formed a principal part of the reference to the Royal Commission, the time-honoured machinery for exploring and clarifying troublesome issues. The Commission were instructed to consider and report "what measures, if any, should be adopted . . . so far as is desirable in the public interest to promote the co-ordinated working and development of the available means of transport in Great Britain."

Confronted with this problem, the Commission admits that it has been unable to come to any definite conclusion. No one, they say, at this state of our economic development would claim to decide by administration what class of traffic should be carried by what means, or what goods, or at any rate what particular consignment of goods, should, in the national interest, be sent by one form of transport rather than another. The Commission as a whole, confessing that for the present they can see no immediate solution, suggest that the Ministry of Transport should keep the general trend of development in transport under constant observation, and should appoint a permanent advisory council whose principal duty would be to study transport problems and advise what action can usefully be taken from time to time to promote the co-ordination and development of transport generally.

The Commission conclude their report with a discussion of this whole aspect of their reference, and this part of their report summarises in a very interesting and valuable way the broad issues which will claim increasing attention not only from those concerned with public administration, but from the industry itself. Complete co-ordination of all the forms of transport seems to them impossible without complete unification, excluding only private motor cars and goods vehicles owned and operated by business firms for their own purposes. This can, they suggest, theoretically be secured either by (1) nationalization, which is defined as the ownership and operation of all the means of transport by a Government Department, under a political chief, or (2) rationalization, which is defined as the merging of all the existing transport agencies in one huge combine, or (3) by a combination of these two processes, which would combine national ownership with private operation, or (4), fourthly and lastly, by the formation of a public trust which would not work for profit, would have a fixed rate of interest on its capital, would devote all its surplus funds to the improvement of facilities, and would be entirely divorced from political action.

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Three of the commissioners, of whom our chairman¹ is one, definitely pronounce for the last of these alternatives. They advocate the establishment of a national transport trust, to be formed by the purchase of the properties of the railway companies, of the motor transport services, and of such canals as may be deemed to be essential parts of a national scheme, and the delegation to the trust of the duty of managing the unified undertakings on commercial lines. They further recommend the appointment of expert commissioners to examine and report upon the practical application of their proposal.

But on their analysis of possible alternatives the commission as a whole base no recommendation, first because the changes necessary would be of such magnitude, financially and otherwise, that they could not be carried out immediately, and secondly because the majority of the members felt that the positive recommendation already referred to goes as far as is "safe and reasonable" in the direction of bringing about co-ordination in the national interest.

Without discussing these conflicting views and truly gigantic possibilities, I will conclude my paper by trying to state, in a summary form, three or four points which seem to me to emerge from this survey, incomplete and disjointed as I am afraid it must appear, of some of the administrative problems which are now being worked out or still loom before us in connexion with the transport industry.

(1) We have been, and to some extent are still, groping after the right *unit*, whether that unit be the administrative unit or the economic unit. The question just how comprehensive a monopoly of one or more forms of transport should be is perpetually emerging. It is not easy to find the right economic unit and to assign to it the right economic field, but there is nothing of more fundamental importance. The wrong unit has cost a good deal in the past.

In the railway sphere, the amalgamations effected by the Railways Act of 1921 reduced about 130 companies to four. Ten years is too short a period to enable us to say that railway organisation has reached finality or that the correct economic unit has necessarily been found, but no one, I think, would wish to go back on what has been done. While as regards canals the old units remain unaltered (with the important exception of the recent amalgamation of the Regent's Canal and the Grand Union Canal, and three smaller undertakings to which yet another three are shortly to be added) the importance of grouping has been stressed by every Commission or

¹ Sir Robert Donald, G.B.E.

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Committee of inquiry which has investigated the matter. Even in dock administration some opinion favours regional grouping.

In highway administration, the central government through grants from the national Road Fund has increasingly assisted all classes of highway authorities in the maintenance and improvement of roads which have come to assume more national and less purely local importance. National standards for through routes are thus gradually established without disregarding local circumstances. But notwithstanding it has been necessary to concentrate responsibility for highways in fewer bodies and to transfer a large additional mileage of road to the largest existing units of local government, namely the Counties.

In a different type of administration, the functions exercised by over 1,300 separate and local licensing authorities have been transferred to 12 bodies of regional Commissioners, who in future will control the licensing of all public passenger transport by road outside the London area.

This drastic centralisation of function is tempered by contact with local government through the nomination of the panel members and constitutes an important experiment in the regulation of a public utility in this country.

Upon the roads, co-ordination and amalgamations of passenger concerns continue to take place, and the existence of municipal and private enterprise side by side in a large number of local centres need be no bar to schemes for co-operative working. The extent of these movements and the direction which they take, and the whole development of this great modern public utility under the control of the Area Traffic Commissioners are matters of wide-spread interest.

Nor can the larger problem of the co-ordination of transport cease to demand attention, even if it be found that the process must be slower and the solution piecemeal, and, though the term is an Irishism in this connection, achieved *ambulando*.

(2) The almost uncontrolled development of road traffic has gone to show that it is a mistake to leave legislation unrevised too long. This very delay, has, however, perhaps helped to secure recognition of the fact that, when legislation is passed dealing with a changing subject matter, it should not be too rigid but should leave room for flexibility and rapidity of adjustment as conditions change. This is of particular importance in the economic and technical spheres if development is not to be throttled. This, I fear, involves leaving much to be done by regulations, a conclusion, let me hasten to add, which is not due to the civil servant's craving for power. It was an old philosophical definition that happiness lay in the unimpeded exercise of a man's highest faculties, but it is a modern misconception

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to suppose that a civil servant's highest happiness lies in the uncontrolled exercise of the most arbitrary rule-making powers with which his Department is invested.

The hand of a regulating Department should not and need not be heavy or blighting in its touch. It can and should be a supporting hand. The power should be used and, so far as my experience goes, is used only in the closest touch and after the most thorough consultation with the interests concerned and the aim of the administrator should be that the industry should regard the Department as an essential part of itself even though particular decisions may be unwelcome.

In exerting the influence of Government through administration a right temper is as essential as a right technique. I should like to quote to you some remarks taken from a recent paper by Mr. R. Bell, Assistant General Manager of the London and North Eastern Railway, which, when I first saw them, struck me as worth taking to heart:—

“We are apt to forget that the general feeling of the country goes far to mould the views of committees, just as it tempers the decisions of tribunals and prompts the action of Government Departments. There is also a certain degree of sweet reasonableness about our ways of administration. There is a possession of great price, not shared by other countries. With us public departments and tribunals are not prone to bring hornets' nests about their ears. So far from attempting to usurp authority, they are often reluctant to exercise their statutory powers to the full. They are content as a rule to watch developments so long as these are not running contrary to any cherished principle. When they do interfere, they may usually be said to advise or direct rather than to dictate. They like people to confer about their differences and, as the outcome of a frank discussion, to propound terms of settlement which can receive an official blessing. If there is nothing heroic about this procedure, it is marked by a great deal of common sense.”

(3) In their general structure and internal organisation, and in the economic principles upon which their business should be conducted, transport undertakings present a diversity of administrative problems. The rapid growth of road transport has not only created a new public utility (or new public utilities—for on the roads passenger transport and goods transport are distinct) but has affected in many ways the administration of the older forms of transport which have been established under statutory control and under monopolistic or quasi monopolistic conditions in the past. In dealing with such new developments, the need for elasticity is obvious and this has been

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recognised in the regulative functions conferred upon the Ministry of Transport and in the discretion given to two different types of administrative Tribunal, the Railway Rates Tribunal and the Area Traffic Commissioners. These bodies also illustrate the fact that there is room for experiment and a variety of method in the regulation of public utilities.

(4) This brings me to my last point and that is to emphasise the vastness and the fascination of the field for study which is afforded to all those interested in public administration by the transport industry and its problems, whether they are the problems of the State in regard to the industry as a whole or the internal problems of the great authorities and companies of which the industry is largely composed. The growth and changes in the structure of the industry in the past form a long chapter in descriptive economics; discussion of its reshaping under current influences fills many pages of the periodicals now devoted to transport. But the field extends far beyond transport. A vast literature has grown up in America on the whole subject of the administration of public utilities in general, and textbooks pour forth from their Universities. Mr. A. L. Dakyns recently drew attention to the inability of American Professors to understand how the operation and control of public utilities was nowhere in this country a subject of “intensive academic study.” He points out, however, that 500 pages of our own Journal have already been devoted to this topic. Has not the time arrived when some members of this Institute might turn their attention to the systematic handling of the great mass of information as to both the theory and the current practice, the science and the art, of administering public utilities in this country which now exists in the pages of our Journal and elsewhere?

Government Departments and the Press in the U.S.A.

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SYNOPSIS

Introduction: News Releases; A. Administrative Organisation; B. Types of News Releases: (a) Statements of Policy; (b) Administrative Routine; (c) Economic Intelligence; C. Pre-publication of Printed Matter; D. Printing Substitutes; E. Machinery Employed; F. The Department of Commerce; G. The Department of Agriculture; Use of the Material: Attitude of the Press; Conclusion.

I. INTRODUCTION.

IN almost every country there is some sort of relationship, however occult it may seem to the layman, between the government and the press. For the doings of the government are nearly always news even if, to the distress of the politically minded, they are subordinated to the more human news provided by murders, marriage, sport and fashion. At a time when the British press is complaining of the inadequate facilities provided for its representatives in Whitehall,¹ it may be of interest to note the very different conditions prevailing on the other side of the Atlantic, in Washington. Complaints there rather tend to the opposite direction, so great is the amount of material made available to pressmen by the Federal departments centred there. This news it must be emphasised is predominantly departmental and administrative, and not political news in the sense that it originates only with the political or cabinet officers.

Apart from printed material which is of course available to press and public alike, special means have been elaborated during the last twenty years to provide the press, as intermediaries between the government and the public, with day-to-day news of governmental and official business. This process has been greatly stimulated, if indeed it was not first rendered possible, by the invention and elaboration of a type of printing machine based on the use of the typewriter (and variously known as "duplicating," "mimeograph," "multi-

¹ Vide the *World's Press News*, 12th December, 1930.

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graph" machines and latterly the "rotaprint"¹) which allows a cheap and rapid reproduction of small documents and even pamphlets. Relying on these "near printing" processes the Federal Government departments have created a machine for administrative publicity which is not only relatively immune from the scrutiny of the budgetary committees who have laid heavy hands on printing appropriations, but is also completely under their own control and not centralised in an independent establishment (the Government Printing Office for instance). The rapid development which this activity has shown in recent years is not therefore very surprising. Any department by installing such a battery of machines has its own independent publishing department which it uses very largely in order to provide material for newspaper writers so that they in turn may give it an extended free publicity in the press.

Other methods of meeting the press exist of course, and attendance at the daily conferences of the Secretary of State on foreign affairs and the weekly White House conferences of the President are regular duties in the life of many a journalist at Washington. Few other departments call the press together in this way, however, except on important occasions (such as the announcement of the terms of a new government bond issue, or for the declaration of important changes in policy—such as the measures to be adopted for the relief of sufferers from drought in agricultural areas and so on). With this institution, the Press Conference, it is not here proposed to deal, and attention will be devoted rather to the "news release" as the duplicated or mimeographed sheet is generally called.

2. NEWS RELEASES.

A. Administrative Releases.

The News Release is indeed by far the most important method of distributing Government intelligence to the press both on the score of its extent and frequency. An amazing amount of material daily pours from the Government departments often requiring an elaborate organisation for its production and distribution. There is hardly a department without its publicity officer whose principal and often sole duty is to act as a liaison officer with the press. He has almost invariably been a newspaper man himself or he controls a staff on which newspaper men are found. He may be asked to write the news releases himself² in a small department or bureau, or to put those

¹ "Mimeograph" is the name given to the duplicating machines which work with a stencil cut first of all on a typewriter. The "multigraph" uses movable type set by hand, but whereas the multigraph prints directly on the paper, the rotaprint prints first on a cylinder which then transfers the impression to the paper (a process known in printing as offset).

² It is worth noting that the employment of a special publicity agent by a department was prohibited by Congress in 1931 unless a specific appropriation was provided for his salary.

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written by others into more appropriate form. Often, especially in the larger departments, his time seems almost entirely taken up with the task of supervising the collection of the material, its production, and its distribution along the most profitable lines.

This is especially true of the two departments responsible for by far the greatest output of publicity material for newspaper use, which will be selected for special mention in this sketch, the Department of Agriculture and the Department of Commerce. The degree of centralisation of the press publicity functions of these departments varies. The Department of Agriculture has unified its work in a special Division headed by a Director of Information who exercises considerable control over departmental publication policy and devotes a large share of his energies to making it more effective. It is probable that his influence will be considerably strengthened when more of the Department's divisions and branches are gathered in or around the new office buildings now nearing completion. (In 1929-1930 the Department was scattered in more than forty different buildings in Washington.)

The Department of Commerce also has a very active press relations office in the Bureau of Foreign and Domestic Commerce responsible to the Assistant Secretary. It also will shortly occupy a new building but it is doubtful whether the same degree of centralisation will be within its power owing to the disparate nature of the functions of its sub-bureaus—Foreign and Domestic Commerce, Census, Mines, Bureau of Standards, &c.,

A certain latitude must be allowed such bureaus if they are to function successfully and the task of ensuring an effective, rigorous central supervision is not very vigorously undertaken. But as many of the releases are issued in the name of the political head of the Department (a form of "reminder advertising") it is clearly desirable that this officer should be able to exercise some control over them. The machinery of supervision accordingly exists located in the central office at which newspaper men call for information.

It is at these offices that the news releases are made available to the press. These releases, as it was remarked at the outset, are almost invariably mimeographed on cheap absorbent paper and they frequently bear an advanced release date (a provision specially necessary in the United States, where mails take the best part of a week to cross the country). These releases are for the most part distributed in Washington to the newspaper men stationed there who call daily for them. Mailing lists are also maintained, but the personal method of distribution for news of general interest in this way seems to be the rule. The reporters can then ask questions and obtain further infor-

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mation which the publicity officer will obtain for them or locate in some other office where it can be obtained by the reporters themselves. A special room is often provided for their use equipped with typewriters and telephones which they may use free of charge.

B. Types of News Releases.

The nature and extent of the material issued to the press in the shape of these releases or "hand-outs" as they have come to be called in the newspaper world, defies adequate classification. It may be considered under the following heads:—

(a) Statements of Policy.

On important questions as noted above, the conference system is usually employed. It nevertheless happens that important information is issued in the form of a routine news release. For instance the work of the Federal Farm Board can be traced from week to week through its regular news releases and often through them alone. This Board is spending five hundred millions of dollars of public money in the attempt to make American Agriculture more prosperous. Its methods and policies have been fiercely attacked and hardly less fiercely defended in some very outspoken statements which it has circulated to the press. It is obvious that the policy underlying the actions of the Board may have a powerful influence on the structure of the existing crop and produce markets, and its news releases are therefore of very practical moment to a large section of the population.

(b) Administrative Routine.

Under this heading may be grouped all the releases governing changes in departmental personnel; promotions, retirements and transfers; government organisation, administrative methods, and similar subjects.

It is not infrequent to find that topics which in England would be the subject of a Treasury Minute, Statutory Rule and Order, or Order in Council; are chiefly distributed by means of a news release. The day-to-day developments of important negotiations may be announced by a press release. For example, the stages in the Boulder Dam dispute (in which the States of California and Arizona were violently opposed) were chronicled in successive press releases by the Department of the Interior.

This class of news release is noteworthy in that it attempts to bring public affairs before the nation as a whole, not only in their wider economic and social aspects, but also from the more limited field of interest of administrative method.

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(c) *Economic Intelligence.*¹

This heading embraces by far the greatest amount of administrative news. Very many departments and bureaus contribute to it but of them all the Departments of Commerce and Agriculture are the most important. In this sketch the chief attention will be devoted to them.

On the whole the extent of the activities of the Federal Government in this sphere may well surprise those who are led to expect from the traditional distrust shown to State enterprise in America that the scope of departmental activity would be severely restricted.

C. *Pre-publication of Printed Matter.*

Quite a large amount so issued, especially by the Department of Commerce, anticipates material that will later appear, possibly in revised form, in print. Such, for example, are the monthly statistics of the imports and exports of a great number of separate commodities into and from the United States, classed by countries. These may fill anything from a quarter of a foolscap sheet to three or more foolscap pages. A similar series exists for the production, shipment, &c., of a number of commodities reported by groups of large firms of producers in each trade. Much of the material gathered in the 1930 census is also being released in this way as rapidly as possible. All this material will eventually find its way into print but it is deemed of sufficient value to justify issue immediately it becomes available. It is argued that statistics of this type possess little but an academic interest if they are too long delayed and the prevailing freedom in the distribution of government publications makes the thought of a possibly diminished sale for the ultimate printed statistics of very little moment indeed.

D. *Printing Substitutes.*

Another class of material is duplicated and issued as a news release without subsequent incorporation in a printed publication. It may be thought not worth the expense of printing or it may be impossible to print it owing to the limited printing appropriation.

Reference was made at the outset to the superior attractiveness of departmentally-owned duplicating plants owing to their relative immunity from central supervision. This is of all the more importance since the comparatively recent introduction of the Budget system in the Federal Government has involved a much stricter control of departmental printing appropriations. Restriction in this direction has been partly offset by many departments deciding to publish for themselves by the purchase and use of "near" printing

¹ Other sections which could be added on such subjects as "Health and Social Welfare," "Justice," "Defence," &c., must be withheld for lack of space.

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machinery, for expenditure on this account can be carried on the vote for general expenses. The possibility of correcting this movement by controlling the purchase of machinery centrally does not yet exist in the U.S.A. as effectively it does in Great Britain, where such machinery is purchased by and very largely centralised in H.M. Stationery Office.

As a result it is apparent that much is being multigraphed and mimeographed which it would not only be desirable to print because of the value of the matter itself, but which it would be a good deal cheaper to print on account of the bulk of material and the large editions in which it is issued.

E. *Machinery Employed.*

As affording some indication of the scope of the publishing activities of these two departments it may here be appropriate to indicate briefly the machinery employed in this work. In addition to the usual mimeograph and multigraph machinery¹ the Department of Commerce employs three rotaprint machines, one large and two small. The rotaprint machines are used for reproducing maps, graphs, plans and charts, half-tone and line block illustrations, &c., in addition to mere routine printing. Three monotype keyboards and casters were employed to provide the type for the multigraph. The plant is also equipped with two folding machines, one capable of folding 8,000 quarto sheets per hour, the other 12,000 per hour. This folded material is then dealt with by a mailing machine which inserts it in envelopes and gums them at a speed of about 2,000 to 2,500 per hour.

The Department of Agriculture's plant is not quite so large, having but two monotype keyboards to supply type for its machines.

Compositors are not employed to operate the keyboards, the work being done by girls who are paid typists' wages rather than trade union rates. Both departments have automatic binding machines capable of gathering and stapling at least twelve sheets at a time.

This brief outline will indicate to some extent the amount of material produced by these two departments. The machinery usually carries a full load and the plants work under a constant pressure.

The possibility of effecting considerable economies by pooling all this departmental machinery in one central plant is not regarded very favourably as it is thought that it would lead to too great delays. In one such plant the supervisor often had, he said, only two hours between the receipt of a piece of copy and the time to begin mailing it. A cheap grade of labour is engaged for the work. The Depart-

¹ Ten small multigraph machines with automatic feed capable of about 9,000 impressions per hour, four large multigraph machines (printing "two up," about 6,000 double impressions per hour, used for long runs of big jobs). Nine mimeograph machines were kept for short runs of small jobs urgently required.

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ment of Commerce hires a considerable number of coloured ex-messengers at from \$50 to \$100 a month to operate the various machines.

F. *The Department of Commerce.*

Both these plants have a steady schedule of regular work to keep them constantly busy. Both have expanded into the field of specialised periodical publication. The following are some of the titles of the regular publications of the Department of Commerce produced by the near printing methods described above:—

“World Trade Notes on Chemicals and Allied Products” (weekly).

“Foreign Aeronautical News” (weekly).

“Electrical Foreign Trade Notes” (weekly).

“Russian Economic Notes” (weekly).

“Tobacco Markets and Conditions Abroad” (weekly).

“Wearing Apparel in World's Markets” (weekly).

“Foodstuffs Round the World” (weekly).¹

“Foreign Hardware Trade Bulletin” (weekly).

“What the World's Cotton Markets are Doing” (weekly).

“Side Runs of the Paper Trade” (weekly).

“Automotive World News” (weekly).

“Crude Rubber News Letter.”

“Business Situation at Home and Abroad” (weekly).

“World's Wool Digest” (weekly).

These publications are rarely less than two quarto pages each and quite often they exceed four or five pages. The close co-operation of the Department with the business world which has been a marked feature of its work since Mr. Hoover's Secretaryship during the previous administration is said to have been responsible for the rapid issue of timely trade notes and news. The Department, like the Board of Trade, has a printed periodical “Commerce Reports.” It is, however, rather more lavishly produced than the *Board of Trade Journal* and the news it carries is additional to the practical and *ad hoc* information contained in these duplicated periodicals.

The circulation of these documents is of so specialised a nature that it may be thought unnecessary to include any reference to them here. They have, however, a considerable use in the trade press and in the financial and business columns of certain daily newspapers, particu-

¹ Issued in the following separate parts:—

Fishery News.
Confectionery Foreign Trade News.
Tropical Products.
World News on Rice.
Foreign Notes on Meats, Fats, Oils and Livestock.
Grain and Grain Products.
Canned and Dried Foods.

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larly in districts specially interested in their subject matter. They by no means exhaust the publication field of the Department. On one day in January, 1930, the following special small releases were distributed:—

“Dominican Republic labelling requirements revoked.”

“South Africa plans to pay bounty on exported cheeses.”

“Use of foreign emblems as trade marks not prohibited in Argentina.”

“German Iron and Steel Syndicate renewed.”

“Utilisation of pine in manufacture of pulp in French maritime provinces.”

“Port of Riga and Ventspils (Windau) chosen as base for the Soviet Merchant Marine this winter.”

“Rapid growth in use of wood flour.”

“Restrictions on exportation of French walnut removed.”

“The effect of light on silver chloride in chemical analyses determined by Bureau of Standards.”

“More than 41 million dollars paid in automobile insurance premiums in France during 1928.”

This is a fair sample of the kind of “irregular” material issued daily.

For the most part it occupies about a quarter to half a (quarto) page.

Every effort is made to make the message short and, if possible, “snappy.”

It is clear that the Department regards this work as of first-rate importance to its task of trade promotion. The following statistics of the increase in output are significant.

SPECIAL INFORMATIONAL CIRCULARS DISTRIBUTED BY THE U.S. DEPARTMENT OF COMMERCE.

<i>Fiscal Year Ending 30th June.</i>	<i>Number of Copies.</i>
1922	350,000
1923	1,000,000
1924	3,100,000
1925	3,713,800
1926	3,327,120
1927	2,583,725
1928	3,657,725
1929	3,626,135

Broadly speaking also every published printed work issued by the Department is made the subject of a press release which usually appears in advance of the date of publication of the work itself. Copies of printed publications are not so frequently sent to the press but will be supplied if requested by the recipient of the news releases.

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One publishing project of the Department deserving special mention is the weekly (Sunday evening) broadcast addresses by the Assistant Secretary of Commerce. These deal in a genial, general way with all manner of current economic topics; "the new South," "Effective Retail Salesmanship," "Advertising American Goods Abroad," "New Ideas in International Advertising," "Economic Position of England," "The U.S.A. as a debtor nation," and so forth, and they have a very large following. They are multigraphed and supplied to the press in advance. So great is the interest they arouse that editions of 100,000 are not uncommon and reprints are frequently called for.

G. *The Department of Agriculture.*

The Department of Agriculture has also very extensive press relations although they take a somewhat different form. This is not unnatural, since a great deal of its effort is expended in reaching a different class; the small farmer in rural areas. The small country newspaper is admirably fitted to co-operate in this work and the Department is also able to make considerable use of the syndicated farming features appearing as regular supplements in sections of the American press. The small country newspaper, unlike the larger metropolitan daily, is often glad to obtain well-written authoritative news-matter free of charge. It frequently buys a good deal of its matter in the form of a "mat" already set up by some central news agency, around or within which it fits items of local news. This ready-set material, or "boiler-plate," as it is called, frequently carries agricultural tips and news which the Department supplies.

One such service alone supplying "boiler-plate" for over 3,000 country newspapers used more than 1,000 articles supplied by the Department in the fiscal year ending 30th June, 1930.

Syndicate writers also draw frequently on the Department not only for raw materials but for complete articles. The Department employs in fact four people who do nothing but write these articles for various sections of the press, but although they work at considerable pressure they are unable to cope with the demand.

One large news agency issuing two special feature pages a week on farm news and general science, obtains regularly from the Department not only articles, photographs and "fillers," but a special weekly series of articles, "Flowers, Trees and Shrubs."

For general circulation to the press the Department issues weekly a printed "Clip-sheet." This is set to the width of an average newspaper column, in the average size of type used in newspapers, on long sheets rather like galley proofs and it is printed on one side only. It contains about half a dozen paragraphs on various subjects. The following were the contents of one issue:—"Bandaged Trees,"

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"Mexican Bean Beetle," "Blasting Stumps," "Open Dairy Sheds," "New Turpentine Tool," "Laundry Tests," "Tannin in Dead Chestnuts." By providing the material in this handy form the Department undoubtedly runs the least chance of it being wasted. An editor can see at a glance where one of the paragraphs will fit, and it can be used at the last moment if necessary.

A similar service is performed by a mimeographed weekly series, "Page, Line and Paragraph," which is used mainly by country papers. As its title implies it contains miscellaneous tit-bits of information from a line or two upwards. All sorts of items of general knowledge are thrown in from time to time in order to diversify its contents. Activities of this type by no means supplant the issue of news releases and a close co-operation is therefore very evident between the press and the Department. Altogether the Department is in touch with over 20,000 newspapers, trade journals, farm papers, free-lance writers, and others. The work is of course but one aspect and a minor one, of the vast educational programme which the Department is attempting not only on behalf of improved farming methods but of improved living conditions on the farm. It is hardly necessary to refer here to the elaborate system of county agents and home demonstration agents by whom the work is being carried on in conjunction with the Department, not only in each of the 48 States, but in each of the counties within those States. When these workers are included it is estimated that there are between 2,500 and 3,000 people regularly engaged in preparing agricultural material for the press. In 1928 these workers contributed over 370,000 articles of one sort and another to the press against some 1,400 by the Department itself. Mention must also be made here of the news photographs of interesting pictures of farm and home life by which the Department seeks to render its appeal more graphic and vivid to the large number of its clientele to whom reading is always in the nature of a task. These are freely distributed to the press on demand—and over 250 negatives were made and distributed in the year ending 30th June, 1930.

3. USE OF THE MATERIAL.

Impressive as the output of the various news departments seems when seen at its origin it has to be remembered that it is diffused over a country of huge dimensions. In that area it has to compete, moreover, with other items of national and international news. It is hardly surprising, therefore, that much of it finds very little use in the columns of the metropolitan dailies. There is no such pressure on these papers to print Government releases as there might be for example to print the releases of a large publicity organisation where

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advertising patronage may be contingent upon the appearance of a "puff." What "goes over," therefore, does so on merit and on news value almost entirely. This is perhaps natural when it is considered that the bulk of the "straight" news from Washington is carried by the wires or on the "feature" services of "mats," &c., sent by mail, of a large news agency such as the Associated Press. Such an agency may be relied on to be as impartial as it is perhaps practically possible to achieve impartiality in the distribution of news to-day. It can be relied upon to provide its members with anything of importance issued by the Government agencies in Washington, with whom it is of course in constant and close relationship.

The province of the average newspaper representative is not so much to collect and transmit "hand-outs" as to present Washington news in a suitable form for his paper's readers or his editor's prejudices, to collect more details about any local news, and to work as far as possible behind the Associated Services.

With the country weekly and the technical press the situation is different, and it has been indicated how the Departments of Agriculture and Commerce are able to get a hearing in their columns. It would nevertheless be a mistake to minimise the results of the energy expended. Although for one reason and another vast quantities of these news releases are shovelled into waste paper baskets unused and perhaps unread, very many find a billet. The shooting is not by any means indiscriminate and the departments try to hit the mark as often as they can. The employment of men trained in newspaper offices to write a news "story" (although reporters will tell you that some departments' releases always require rewriting), the centralised distribution, and surveillance of mailing lists, and the day-to-day contact with pressmen of all types serve as indications of the forces at work to keep the function healthily and successfully employed. Statistics of results are almost impossible to collect if only because the field from which they must be gleaned is so vast. The Department of Commerce has counted 15,000 column inches of its material in technical and daily journals in a recent year. The Department of Agriculture has also interested itself in the matter, and the following brief results of its experience are of interest. As a sample inquiry it made an investigation of the amount of agricultural material printed as news in the columns of 11 important daily papers selected at random during comparative periods of seven days in June, 1919, and June, 1929. An increase of 91 per cent. in the number of agricultural items appearing was recorded. The space devoted to such material had increased by 53 per cent. It is rather extravagant to build very largely upon such a result but there seems little reason to doubt that the persistent work of the Department has had the effect of deepening the public conscious-

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ness of the American people as far as agricultural problems are concerned. What reaction such a result may have when large questions of economic policy, such as that involved in the establishment of the Federal Farm Board, come before the public judgment, can only be a matter for conjecture, but it is fairly evident that the steadily increasing barrage of news is likely to produce effects of considerable magnitude over a period of ten years. Enough is now known of some of the forces moulding public opinion to make a judgment of this nature almost a platitude.

ATTITUDE OF THE PRESS.

On the whole there can be no doubt but that the press find the news services of great assistance and that they co-operate willingly and without prejudice. This is hardly surprising for the whole thing is a natural evolution in American politics and government with its insistence (often theoretical and sometimes unfortunately only *post facto*) upon the full revelation of the facts and processes of government as an essential pre-requisite for democratic judgment.¹ The inquisitive nature of the American reporter is a byword and the two elements of the situation had therefore only to come together in order to create some sort of machinery of the type which is the subject of this article.

Nevertheless one or two interesting questions remain.

There is the tendency which has been described to the writer in responsible and very well-informed circles as a very real danger, that some reporters become the servile acceptors of hand-outs and will take almost anything that the departments like to give them. One reporter said that this was a situation which daily contact with the source of what might not unfairly be described as a good part of the income of some Washington correspondents made it difficult to resist.

Although no evidence seems to exist that violent critics of the Government, Liberal, Radical or Communist, have ever been refused access to departmental sources of news, it does not need much imagination to realise that the reception of a known and persistently hostile critic would be probably different to that accorded a friend. In spite of the possibility that a few Pressmen may succumb to the temptation of an easy life in this way, it is more than doubtful whether they are very numerous or very important. The American reporter prides himself on being "hard boiled"; and if he is not the most cynical being on earth, he is sufficiently endowed with that quality to be able to avoid the role of catspaw to a Government office—assuming that any Government office would wish to engage him as such. These considerations are also of cardinal importance.

¹ The absence of any device like the British Parliamentary Question and the French "Interpellation" may also be noted in connection with the question of publicity for administrative acts.

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ance when considering the still graver fears which may be entertained on the question whether departmental publicity is of an insidious nature, designed to attract and focus attention on the department and its officers rather than to provide legitimate news for the public. Followers of recent alarmist utterances on the subject of the encroachments of the bureaucracy may see here a new weapon of the most dangerous type forged ready for service in the new class war of bureaucracy *versus* the public. On the whole, as it will be apparent from the discussion above, there would seem to be very little grounds for such an accusation. But suppose that an attempt was made to exert a sinister influence on public opinion by a Department this way, and that some newspapers fell into the trap set for them by the Department. Is it not clearly obvious that others would very soon see through the scheme, and denounce it in such terms that the outcome would be the very opposite of that hoped for by the conspirators? To raise such a question at all is somewhat fantastic in the light of the work actually done by existing information services, or even that which might conceivably be done by future services. Naturally, departments do not tend to issue releases reflecting adversely upon themselves. Nor would one expect to find, for instance, in the very well-organised publicity work of the War Department many tendencies to encourage pacificism and disarmament. Political chiefs expect to be quoted, where possible, as the authors of departmental releases—a fact which, however, is consistent with the theory of Cabinet government, even if it provides them with continual publicity at the same time.

On the whole, these information services seem very fairly conducted, and any exception to this rule would be in the nature of an unusual incident. To condemn an information service of the type here considered because of its possible misuse is not only to ignore the fact that the service can only function by the consent of an intermediary which rarely has any strong personal interest in supporting a department, but to ignore also the more important fact that few countries lack a strong opposition Press keenly critical of administrative acts.

In rather a class apart stand the utterances of the President during the last twelve months, predicting from time to time the imminent disappearance of the industrial depression. These have provoked some very caustic comments as successive optimistic forecasts have been seen to be entirely unfounded. Other members of the administration have incurred the same reproaches, particularly the Secretary of Labour for his views on the unemployment question.

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Departmental officials are not implicated in this controversy, however, which has been a political rather than an administrative matter.

5. CONCLUSION.

The United States administration has developed a news supply concerning the facts and processes of government and of important aspects of national economic and social life which seems, in spite of a possible wastage and inefficiency at certain points, to provide a useful weapon in the task of familiarising public opinion with the unfamiliar and, generally speaking, uninteresting facts of public affairs. It has the merit of being relatively inexpensive. It is directed to the man-in-the-street and provided, as far as possible, in language which will at least not repel him. The risk of misrepresentation in the popular press is a danger which is not felt to be serious, but is at any rate cheerfully incurred. Even if the machinery and activities here described do not appear impressive, it is suggested that their constant daily operation and development will, in the long run, have a significant influence on public opinion: an influence which will be found not only to have been informative, but fruitful in the more practical virtues of toleration, goodwill, and co-operation by which the task of government can be so greatly eased.

As a practical device in ensuring that some of the presumed advantages of democratic government may be secured, this departmental supply of news has merits which do not yet seem to have attracted the attention they deserve from political theorists; for they make it possible, in however rudimentary a manner at present, for the electors to know a good deal of what is being done in their name at the seat of government. From this standpoint it is perhaps not without significance that the United States—which has been more specially identified with a democratic form of government in the last hundred years than any other great country—should be the first to develop such a machinery. For if it is consonant with democratic principles that the people should be the authors of the administrative power wielded in their name, does it not logically follow that they should be informed of the deeds of the deities they create? This is not a question which has ever been in dispute. It is the further question which has never yet been squarely faced: "How are the people to be informed?" The printing and publication of blue books has been the only practical answer so far; but here is a new type of publication which has grown of its own accord out of the necessities of the situation. Is it not also a fit instrument for the task on hand?

The Secretariat of the League of Nations

By the Hon. Sir ERIC DRUMMOND, K.C.M.G., C.B.

[Paper read before the Institute of Public Administration,
19th March, 1931]

YOU have done me the honour of asking me to read a paper on the organisation of the Secretariat of the League of Nations. Will you allow me two preliminary observations which are in the nature of excuses: the first that I fear that the contents of such a paper can contain little, if anything, of original value for the members of your Institute, since the principles underlying the organisation of the Secretariat of the League are largely those on which the British Civil Service has been developed; the second is a request for your forgiveness should certain passages of the paper appear to be unduly egotistical. If this is so, it is due to the fact that the only constitutional officer appointed by the Covenant was the Secretary-General, and it was left to him to appoint other officials subject to the approval of the Council of the League.

It is difficult to understand fully the present basis of the Secretariat, and particularly that part which concerns the highest posts therein, without some historical account of its beginnings.

When I was appointed Secretary-General in April, 1919, I found that there were two utterly opposed ideas as to how the Secretariat should be constituted. The first arose out of the valuable work which had been accomplished by numerous inter-allied organisations during the war. Those organisations were composed, as you know, of representatives of the different powers, who acted under the instructions of their respective Governments, their common aim and unifying force being to do what was best to secure victory. On this analogy it was proposed that the Secretariat should simply be a body on which all the powers members of the League should have representatives who should consult together and prepare the way for the decisions of the Council and of the Assembly. In fact, the Secretariat would be nothing more and nothing less than a permanent conference of representatives of the powers members of the League, or rather, of such

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powers as thought it desirable to have such representatives. Such a system had worked well among the allied powers during the war, and it was therefore thought that it could produce the same admirable results in the League.

The second idea, which was one I personally had cherished, was the constitution of a truly international civil service—officials who would be solely the servants of the League and in no way representative of or responsible to the Governments of the countries of which they were nationals.

I felt bound to place these two views before certain members of the Organisation Committee, which had been appointed by the Supreme Council to supervise the preliminary stages of the organisation of the Secretariat, making no secret of my strong belief that the adoption of the second plan would not only result in fresh progress in international affairs, but was essential if the League were to become what its founders hoped it would be. Happily from my point of view, the members of the Committee were unanimously in favour of it. It was therefore on this foundation that the further building was undertaken.

Another question which was examined and decided by the Organisation Committee was that of the highest officers of the Secretariat. Looking at the matter solely from the administrative standpoint, it seemed that all that was required was a Secretary-General and a Deputy Secretary-General, but in view of the prevailing political situation it was considered that it would be advisable to have two Deputies, the second to be styled Under-Secretary-General. As it was desirable to obtain as much political support as possible for the League, I did not feel it right to object to this proposal, but its further consequences were immediate. The two officers I have mentioned were to be nationals of two of the Allied Great Powers—and consequently two other Great Powers among those represented at the Peace Conference were left in the cold—and at once representations were made to me and to the Organisation Committee that their nationals must also be included. Political reasons prevailed, and it was therefore decided that there should be one Deputy Secretary-General and three Under-Secretaries. But it was not solely reasons of political prestige that led to this conclusion; the members of the Committee held that it would be of real advantage to the Secretariat to be able to secure the services of prominent people from countries whose interests were world wide, and that to achieve this end it was necessary that the rank and conditions should be highly attractive. It must also be remembered that according to the Covenant there were to be five permanent and four non-permanent members of the Council, and that the decision taken as regards these high posts in

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the Secretariat was in accordance with this conception of the predominant part to be played in the League by the Great Powers.

This problem of the chief officers of the Secretariat has been much discussed recently, and no final decision thereon has yet been reached. It has been felt in many quarters that the present *de facto*, though not *de jure*, monopoly of these higher posts by the Great Powers (one of the conditions of Germany's entry into the League was that one of her nationals should be given the post of Under-Secretary-General), is neither in accordance with the developments of the League since the proportion of permanent to non-permanent members of the Council has completely altered; originally, as I have said, it was five to four, it is now five to nine: nor in accordance with the principles laid down for the constitution of the Secretariat, the members of which are international civil servants and do not in any way represent the Governments of their respective countries. On the other hand, the existing system has worked well and given satisfactory results.

The Secretary-General was left an entirely free hand as to the rest of the organisation and the appointment of the members of the staff.

On returning to London from the Versailles Conference I began work in a small back drawing-room in 23, Manchester Square, with one collaborator, Lord Colum Stuart, one stenographer, and one office keeper. There we sketched out the framework of the organisation and particularly the number of departments, or Sections, as they are called in Geneva, which with one exception were the same as exist in the Secretariat to-day. The task was comparatively easy, as the duties of the League are clearly laid down in the Covenant and in the Treaties of Peace.

As the Secretariat grew we migrated first to Caxton House, then to Sunderland House with overflow offices in a house in Piccadilly, and lastly to Geneva.

We decided to start with the minimum staff possible for the duties we were called upon to perform, and only to add to the numbers as the work increased. I thought this system the wisest, though there were many who believed that the Sections should be comparatively large in order to study and prepare for future eventualities. These Sections are now thirteen in number, namely, Legal, Political, Mandates, Minorities (with a sub-Section dealing with the Saar and Danzig), Information (which is also concerned with all press matters), Disarmament, Opium and Social Questions (which, in accordance with a decision of the last Assembly, will in future be dealt with by two separate Sections, instead of by one as heretofore), a Section for Intellectual Co-operation (it was this Section that I had not foreseen

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—it was formed owing to the desire of the Assembly that the League should do its utmost to promote co-operation between intellectual workers in different countries)—and, lastly, the Sections which are known as Technical—Economic, Financial, Transit, and Health. You will see therefore that the Secretariat contains in a sense the majority of Ministries which are found in a national Civil Service.

While the Political and Minorities Sections serve the Council direct, the other Sections supply the Secretariat for, and perform the executive work of, the expert advisory committees which assist the Council in all technical questions. The exceptions are the Legal and Information Sections, which cover the whole organisation of the League.

Though necessarily much of the work of the Secretariat must be done through the system of minutes, I have found verbal exchange of views peculiarly valuable. We have a meeting of all the heads of Sections once a week, where possible improvements or weaknesses of the organisation can be and are examined. Further, I make a point of seeing the competent officials in each Section before any important decision is taken, and by measures such as these and by Committees (I will refer to them later on), we have largely reduced the written communications between the different Sections, which perhaps are sometimes apt to take an exaggerated form in national services.

Apart from the Sections, there is the side of the Secretariat which is solely concerned with internal administrative work—the Treasury, the Library, the Translators and Interpreters Service, the Registry, Distribution, Roneo, Stenographers' Departments, &c. These internal Departments serve the whole Secretariat, and therefore every Section has an interest in their efficiency. In their organisation we have combined whatever was found best in different national civil services and in business methods; and though it is not for me to estimate the result, I cannot but say that these services have received remarkable testimonials to their capacity.

Indeed, we have from time to time at the request of Governments sent officials from the Secretariat to give advice on various matters such as the reorganisation of registry methods, &c.

At an early stage a point arose of considerable importance to the future development of the whole Secretariat. Should the Sections be formed on a geographical basis, or according to the subject matter with which each Section was called upon to deal? After some hesitation I decided in favour of the second theory, and its adoption has, I am convinced, added much to the strength of the organisation, because it has made easier the co-operation of men and women of different nationality in a common task. There is not, as is sometimes

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thought, an English, a French, and a German Section of the Secretariat, &c., but each Section is composed as far as possible of men and women from different States members of the League. For instance, the Legal Section, of which the head is a distinguished Uruguayan, an ex-Minister for Foreign Affairs, has members of Belgian, British, Cuban, Dutch, French, German, Indian, Italian, and Spanish nationality. The same system is applied throughout the Sections, and I can honestly say that this daily collaboration of individuals from various countries and continents has seldom given rise to difficulties, since all are inspired with the same spirit and working for the same end. Indeed, I have found that when, as inevitably happens, quarrels arise in the Secretariat, they are more likely to be between officials of the same nationality than otherwise. I do not venture to suggest the reasons; perhaps we are likely to restrain our tempers less when expressing our views and opinions to our fellow countrymen than when discussing matters with individuals who are not of our own nationality.

Although it is not perhaps altogether relevant, the mention of tempers reminds me of a further point of some possible interest to public administrators. There are some years in Geneva when for weeks we hardly have a glimpse of the sun; there is a dull fog enveloping the city, the result, I have been told, of certain air currents coming from the glaciers. I have noticed that during such weeks the nerves of my collaborators are apt to get frayed, and personal frictions occur too frequently. But on the first day that the sun shines the whole atmosphere alters, bitterness vanishes, and harmony is completely restored, with a resulting increase in efficiency. As even the most scientific organisation is not yet able to remedy faults of climate, I fear the *status quo* cannot but be respected, and must therefore ask you to forgive this digression.

In order to avoid any possible suspicion of partial action by members of the Secretariat, we have established an informal rule that no member of the Secretariat shall be called upon to deal with a matter of particular concern to his own country. Thus, the Section dealing with minorities contains no nationals of countries who have concluded minority treaties, or of countries have a special interest in that problem; the Mandates Section no nationals from countries in the possession of mandates. Indeed, I thought it expedient, when the question of the boundary between Irak and Turkey was being considered by the Council, to ask the Deputy Secretary-General to act in my place on the sub-Committee of the Council which had been appointed to report on the subject.

Such measures are, of course, not in any way constitutionally necessary; they are, however, wise, and are taken, as my friend Sir

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Edward Davidson, a former Legal Adviser to the Foreign Office, would have said, "*ex abundantiore cautela*."

The Secretary-General is the head of the whole organisation, and is formally responsible for every act of the Secretariat. Next to him is the Deputy Secretary-General, who follows generally all the work, as he takes the place of the Secretary-General when absent. In view of the special qualifications of the present Deputy Secretary-General, he has been entrusted with a general supervision of the Technical Sections, but this is an incidental situation and in no way organic. One of the other Under-Secretaries-General is responsible for all the administrative side of the Secretariat, though it is probable that in the future the Treasurer will become an independent officer, and the remaining two are the chiefs of two of the Sections, at present the Political Section and that of Intellectual Co-operation. The other Sections have Directors as their chiefs, though in special cases it has been agreed that there may be a Chief of Section with that title and with a salary considerably below that of a Director. The Sections are thus composed of a chief with a varying title, either Under-Secretary, Director, or Chief of Section, with a certain number of officers of the first division under him, called Members of Section, the number varying according to the work of the Section. By no means all these Members of Section are permanent officials, many of them coming from national services for short terms or as experts. The present total number of Members of Section, apart from the administrative side, is one hundred and nine. There is also in each Section a Secretary and three or four subordinate officials belonging to what is known as the first and second categories of the second division, the first category corresponding roughly to the British Staff Officers. There is a pool of stenographers who work for the whole organisation, though there are as a rule a small number of stenographers definitely attached to each Section. It seems unnecessary to go further into detail as to other features of the organisation of the subordinate staff.

Appointments in the Secretariat are of two kinds: permanent and temporary. Permanent appointments are engagements up to an age-limit of 60; temporary engagements for a specified period of years.

Till last year the officials of the Secretariat had no pension rights, though the principle of pensions had been admitted as proper from the early stages of the Secretariat. The Assembly of last year decided that permanent officers should be given pension rights under a contributory scheme, and to-day any officer whose period of service is not less than seven years has certain accruing financial rights on the termination of his contract. Practically all the second division have been given permanent appointments; in the first division, however,

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the proportion is considerably lower, since, as I have explained, many such officials have short-term contracts. As there is no parliamentary basis for the engagement of officials, Staff Regulations have been framed which contain the conditions on which an official enters the League Service. According to these regulations an annual report on the services of each official is furnished by the head of each Section or Department, and on these reports it is determined whether or not the annual increase of salary, which is given within the budgetary limits of the grade to each official provided his work is good, shall be granted. A more detailed report is made at the expiration of each seven years of service, and if that report is unsatisfactory, the administration has the power to terminate the contract of the official, or to subject him to financial penalties. Should an official consider that action has been taken by the administration contrary to the Staff Regulations, or should he think that personal prejudice has been shown in the reports made by his superior (each official has a right to see all these reports), he can appeal in the first instance to a paritative Committee, composed of representatives of the Administration and of the staff. This Committee reports to the Secretary-General, with whom the decision rests, but the official has a right of ultimate appeal to the Administrative Tribunal, a body composed of three eminent jurists who are entirely independent of the Secretariat and are appointed by the Council. Originally the final appeal lay to the Council, but this procedure was found to be cumbersome and was superseded in 1927 by the establishment of the Administrative Tribunal.

The real difficulty of the organisation of the Secretariat lies in the clash of two principles; the first that a post should be filled by the best available man or woman, the second that there shall be a reasonable and fair distribution of posts among the nationals of the countries members of the League. Certain hard situations as regards individuals and promotion have arisen because of this conflict of two almost irreconcilable principles, and it is only possible to treat each case on its merits, and to do what is best in the circumstances. No hard and fast rule can be laid down.

The total number of the staff is to-day six hundred and ninety-eight. The first division, which includes the interpreters, translators, and certain administrative officers, has one hundred and eighty-nine; the second four hundred and four; the third, which is engaged locally, and consists of office keepers, messengers, &c., one hundred and five. The salaries are based on the scale of the British Civil Service for roughly equivalent duties, plus, in the case of the second division, a further amount for expatriation.

If we had not two official languages in the League the total figure

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of the staff could probably be diminished by at least 20 per cent., but every document, except those for the internal use of the Secretariat, has to be produced in both English and French, and we receive papers in various other languages which may have to be translated.

There are to-day forty-three nationalities in the Secretariat. In view of this international character of the Secretariat, I have found it wiser to set up, more than would be the case in a national service, Committees to deal with many questions which arise, so that the equity of decisions cannot be open to doubt. For instance, all appointments, and many questions of internal administration, are considered by committees composed of members of different nationalities.

The new and essential factor in which the Secretariat differs from national civil services is that the members serve the League as a whole and not any particular Government. They are responsible to and take instructions from the Secretary-General alone, who in his turn is solely responsible to the Council and the Assembly. They may not promote the special interest of their own countries, nor may they receive instructions from their Governments. The principle is new in a large organisation, though of course it has been applied previously, for instance in cases where an individual has been seconded from a national Civil Service to become an adviser of a foreign Government. On the whole, I think I can say that it has been admirably observed, though for certain mentalities it is difficult, and great care has therefore to be taken in the choice of members of the Secretariat. The two great qualifications for these posts apart from general efficiency seem to me to be firstly a belief in the League and a desire to serve it, and secondly the capacity of placing yourself in the position of the other man. It is by these qualities that the members of the Secretariat have been able to acquire the confidence of the fifty-four Governments whom it is their duty to serve impartially and to the best of their ability; if this spirit can continue to permeate the organisation, the Secretariat will, I think, remain one of the most important factors in the development of international life, while if it vanishes or diminishes an experiment on which high hopes, I venture to think rightly, have been set, will fail. Indeed, it is not perhaps too much to say that in such an event the whole basis of the present structure of the League of Nations will have to be re-examined.

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The Government of Metropolitan Areas

By P. STUDENSKI, assisted by the National Municipal League Committee on Metropolitan Government. 403 pp. (New York: National Municipal League.) 3.50 dollars.

THIS volume is worthy of being read by all concerned with local government. It is a detailed study of the experience in the United States of the endeavours to obtain larger units of government for local needs, with comments on the experience in the matter of extensions.

"Metropolitan area" is not altogether a happy term because it brings up a picture of a large city with its suburban neighbours, whereas the study extends to much larger regional groups.

Investigation has been rendered possible by a grant from the Russell Sage Foundation, one of the numerous funds provided by private benefaction, which help research so liberally in the United States.

The book deals with one of the problems which will call most urgently for solution in the next decades. It vexes every industrial country, ourselves not least, and the study throws an instructive light on the problem. The size of the problem in the United States may be gauged from the fact that, according to the census for 1920, there were 29 "metropolitan areas" in all, with a population of 29 million persons, being nearly 28 per cent. of the total population of the States; and the census for 1930 will show still larger figures.

The study is full of facts. It is interspersed with a good deal of comment, but it would have gained if there were still more fundamental thought. It would be of great advantage if those interested in research on social questions had a clearer notion of the objective. There is too much tendency to accumulate great heaps of facts. The value of the facts lies in their significance, and usually this needs to be more deeply probed. Not, as I have mentioned, that there is not a good deal of probing in the present volume.

The need of larger territorial units of local government is no new problem. The author states that the present problem differs from the old in a quantitative, not a qualitative manner. But the quantitative difference is so great that it becomes qualitative, as indeed is

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recognised by the author. He states:—"It is possible, even, that a new form of local government will be necessary." That is the point—that usually the old problem could be met by extensions, and it by no means follows that this is the proper cure for the large scale problem of to-day.

The facts set out in the volume with regard to boundary extensions have a homely ring to those familiar with the problem in this country. On the whole, extension is more difficult in the States; more stress is laid on the necessity for agreement, and the frequent resorts to referenda do not ease matters—or make for wisdom. Extensions, the author says, have "frequently . . . as their immediate effect a boom in building construction in the new territory and a rapid rise in property values." His general conclusion is that on the whole the results of extension have been good, but that it does not provide a solution for the modern problem. It is interesting to note the advertisement value put by American cities on mere size.

Boundary extensions are complicated in the States not only by County limits but also by State divisions. The County problem is very different from that in this country. Even in the large cities, the County Authorities usually continue to function independently of those of the city, despite many efforts to avoid this division. But "City-county consolidation can hardly be expected to offer a solution to the difficulties confronting most of the metropolitan regions to-day." Incidentally, the county is the worst blot on local government in the United States of to-day. It is remarkable how primitive the organisation and government still continues to be in most counties. Much effort is now being made to modernise county government and some progress has been effected, but it is very slow.

The most interesting and suggestive part of the book is the account given of endeavours to establish "federated cities"—a federal form of government, of which London is our only example, for what have been called "conurbations" and what could much more sensibly be called town-masses. In recent years very much thought has been given in the United States to this important question. New York is a well-worn problem, by no means yet satisfactorily solved, and the changes (of which an account is given) are instructive.

All efforts to solve the problem elsewhere have hitherto failed. "In the United States, federated metropolitan government is still in the discussion stage," and the author ends with a conclusion, of which the truth is not by any means confined to the United States, that—"The present chaos is a summons to a broader view and higher statesmanship than has generally been displayed."

I. G. G.

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District Audit

The Law relating to Local Government Audit. By WILLIAM A. ROBSON, LL.M., of Lincoln's Inn, Barrister-at-Law. (Sweet and Maxwell, Ltd.) 17s. 6d.

The Development of Local Government. By WILLIAM A. ROBSON, Ph.D., LL.M., B.Sc. (Econ.). (Messrs. George Allen and Unwin, Ltd.) 12s. 6d.

THE first of these books is a statement of the law, intended by the author primarily for members of the legal profession, though not exclusively for them. In Part V of the second book he gives some account of the working of the District and Borough Audit systems, especially the former, and makes some proposals for the reform of municipal audit.

A book on the legal aspects of district audit was well worth writing. It is true that many of the cases collected in Mr. Robson's book relating to the powers and duties of the district auditor relate also to the powers and duties of the local authorities whose accounts he audits, and are therefore to be found elsewhere. But it is worth while to bring them under review from the former aspect, because they illustrate the working of a very remarkable piece of legislation. The earlier efforts of Parliament in providing for audit were tentative and uncertain, as Mr. Robson shows, but they advanced in confidence with each successive piece of legislation. They began with what the auditor *might* do and then went on to what the auditor *should* do. Moreover the sphere over which he had this combined power and duty was enlarged. Under the Poor Law Amendment Act, 1844, the auditor "shall charge in every account audited by him the amount of any deficiency or loss incurred by the negligence or misconduct of any person accounting." The Local Government Act, 1858, went further and provided that the auditor "shall disallow every item of account contrary to law and surcharge the same on the person making or authorising the illegal payment." Both these phrases are combined in later legislation and they are the law at the present time wherever the district auditor audits the accounts. It is obvious that these powers are very formidable. There is no reason, however, to suppose that Parliament were not aware of this, for they coupled the powers with a very effective safeguard. We are not referring here to the appeal to the Minister of Health—now somewhat curtailed in its scope—but to the appeal to the Courts which had always in one form or another existed. In every case in which the auditor can impose a personal liability the matter can be challenged in a court of law.

The result has been that the Courts have had some very interesting problems to settle—trivial sometimes as regards the subject-matter,

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but important and far-reaching as regards the principles involved. They have had to avoid giving decisions which would on the one hand cramp and fetter the freedom of local authorities in the *bona fide* exercise of the powers conferred on them or on the other hand would derogate from the authority of the auditor and reduce his functions to the mere checking of accounts. How they have done that may be studied with great advantage in Mr. Robson's book on Local Government Audit. The student may obtain from it a very valuable insight into the minds and methods of English judges—and it may be added, of Irish judges also, because there have been some important audit cases in Ireland and Mr. Robson has wisely included them in his book.

Proportion has been observed in the book. As the preface says, many of the more important cases have been described at some length, and on the other hand some cases dealing with matters of no contemporary importance have been omitted. This latter process might, we think, have been carried somewhat further. Cases dealing with vestries and overseers and common or parochial charges in a Union are of no immediate interest, and even if they illustrate principles, these can seldom be studied to advantage in the operations of bodies whose very status has no replica at the present time. The note of *A. G. v. West Ham Corporation* [1910] 2 Ch. 560, on page 41 is not quite correct. It did not decide that it was unlawful for a local authority to borrow by way of overdraft, but only that it was unlawful for them to do so for capital purposes for which they had not obtained sanction to borrow; and this kind of overdraft has not been authorised by the Rating and Valuation Act of 1925. But the matter is not of importance, because the point is sufficiently illustrated by the Tottenham case which follows.

In passing to the discussion on district audit in the book on the Development of Local Government¹ we are not quite so fortunate. After giving some account of the cases dealing with the relative claims of the local authority and the district auditor to which reference has been made above Mr. Robson goes on to say: "All these attempts to stem the tide of the Auditor's power of autocratic control over the activities of the elected council were, however, doomed to be swept away at a single stroke of the House of Lords." This is an exaggeration. Mr. Robson is referring to the Poplar Wage case, *Roberts v. Hopwood* [1925] A.C. 578. The question at issue there, as he sees it, turned on the reasonableness of the amount paid. He quotes Lord Sumner as saying that the mission of the auditor is to find whether there is any excess over what is reasonable; and he asks, why should the "reason" of the district auditor be entitled to take

¹ Other sections of this book will be reviewed in a later issue—EDITOR.

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precedence over the "reason" possessed by the councillors and the electorate? This is in fact the view of the matter which the extracts given in the present book suggest. But if one turns to the fuller extracts given in the other book, it will be seen that the essential point on which the Council were held to be wrong was something different, viz., that they had been guided by aims and objects which, in the mind of the Court, were not open to them: that they had in fact taken into consideration matters which were extraneous to their business. Apart from this matter of *arrière pensée* it is difficult to see that the Poplar case has made any change in the position.

Mr. Robson dislikes the outlook of the district auditor. "The type of man," he says, "who regards it as improper for a great local education authority like the London County Council to provide necessitous school children with fruit, cod-liver oil and malt extract under the Education (Provision of Meals) Act, does not possess the mental equipment likely to produce the most satisfactory method of audit." But this is hardly fair. The things mentioned are not meals, and the auditor may be excused for thinking that it was not within the powers of the Council to provide them, at any rate under this statute. He cannot set up a kind of case-law of his own as incrustations round the edge of a statute. Elsewhere in the book under the heading of Principles of the Constitution, Mr. Robson points out that local authorities can lawfully spend money only on such services as they are expressly empowered to provide. This is a proper subject of complaint against the constitution or against the way in which the statutes are drawn, but not against the auditor. One cannot help feeling that Mr. Robson as teacher should keep in line with himself as lawyer. By dividing the persons he confuses the substance.

Nor does he like the kind of work which the Auditor has to do. "The District Auditor," he says, "has at present no right to advise local authorities from this broader aspect, no right to report to the council on matters not involving illegal payments or negligence, and no power to compel improved methods of financial organization." In point of fact, he is constantly advising and reporting on these matters, and spends more of his time on this than on making the disallowances and surcharges which are (naturally) so prominent in these books. And if he cannot—or cannot always—compel persons to adopt his recommendations where he cannot point to a definite loss arising from the neglect of them, this is not a bad thing, and conforms to the conditions under which much good work is done.

E. H. R.

Printed in Great Britain by Metchim & Son, 8, Princes Street, Westminster, S.W.1,
and 32, Clements Lane, London, E.C.4.

Summer Conference, 1931

THE programme of meetings arranged for this year's Summer Conference, to be held in University College, Oxford, 10th to 13th July, 1931, under the chairmanship of the Rt. Hon. Sir John Anderson, G.C.B., is as follows:—

Friday, 10th July.

(Two Sessions, 10.30 a.m. and 2.30 p.m.)

Recruitment and Training of Public Officials.

Sir Stanley Leathes, K.C.B.

Mr. A. L. N. D. Houghton (General Secretary, Association of Officers of Taxes).

Miss M. L. Dhonau.

Magistratsrat Dr. Jar. Hubertus Grochtmann.

Stadtrat Dr. Alfons Riess.

See pages 244 to 292.

Saturday, 11th July.

(10.30 a.m.)

Efficiency Ratings in the Public Service—Should they be applied, and how?

Mr. A. J. Waldegrave, I.S.O., M.B.E.

Character Assessment in State Service.

Mr. B. W. Walker Watson (Winner of the Haldane Prize Essay Competition, 1930-1931).

See pages 293 to 311.

Monday, 13th July.

(10.30 a.m.)

Financial Control in Administration.

Sir Charles Harris, G.B.E., K.C.B.

Mr. E. Lund, M.B.E., F.S.A.A. (City Treasurer, Carlisle).

See pages 312 to 334.

(2.30 p.m.)

Research into the Theory and Practice of Public Administration.

Mr. Arthur Collins.

Mr. J. R. Howard Roberts (Town Clerk, City of Kingston-upon-Hull).

See pages 335 to 352.

The Training of Public Servants

The Training of Public Servants

By STANLEY LEATHES, K.C.B.

[Being Paper to be discussed at Summer Conference of Institute of Public Administration, July, 1931]

I HAVE been looking at my paper which was discussed at Cambridge on the 31st July, 1923, when Sir Austen Chamberlain was kind enough to take the chair. The paper was published in the October number of the Journal in the same year.

It was entitled the Qualifications, Recruitment, and Training of Public Servants. I explained in my opening remarks that I had not promised to talk about training or qualifications, and was not fitted to do so, because my qualifications, if any, were purely accidental and undesigned, having been acquired by chance and without method. As for training I had none—for that specific career. Nevertheless, the headline to every right-hand page of that article is "Training of Public Servants," a subject which is only mentioned in the first paragraph to be set aside, and in the remainder of the article by allusion twice. Now I am led captive, and pledged to write on the very subject which I had refused to treat even when every headline said I was doing so.

I must crave your indulgence, for I can only write on this theme by guesswork. It is true that I lived in an office for the best part of twenty-four years, but I took no direct part in training any subordinates; except, I suppose, that I must have done something to train two secretaries who served under me after I had become a Commissioner, and I hope that indirectly I did something to mould the policy of our Examinations Branch. I suppose I ought to have done more, but coming in near the top one may easily do more harm than good by interference.

I must therefore, if I am to carry out the task imposed upon me, exercise such powers of imagination as I may possess, and frame in my fancy the course of discipline and instruction that should await the tyro when he enters his department for the first time.

But there must be many forms of discipline. There is, or should be, a different discipline for a clerical officer entering for the first

time, and for an administrative officer who has passed out of school and through the university. Technical officers—lawyers, assistants in the museums, engineers, inspectors under the Board of Education, &c., will approximate rather to the administrative class than to those below, but, although the assistant principal should bring to his duties a trained mind, he must have to learn all the technicalities of his special duty from the beginning. On the other hand, the lawyer or the engineer is familiar with the general principles of the arts which he has to practise or supervise, and needs only to adapt them to his particular province. Again there must be a different method of instruction for indoor, and outdoor staff; and to some extent the training of municipal servants cannot be quite the same as that of civil servants in the central departments. But we should be able to find some general principle on which the successful training of these different varieties of public servant depends.

I think the secret lies in the right distribution of responsibility and its graduated and universal acceptance. The youngster when he enters his office, whether he enters it at the bottom, or part of the way up, should have got from his previous training a certain amount of knowledge, and a certain number of accomplishments which will aid him to get the hang of his job. If he has been properly trained at home and at school he ought to feel that it is up to him to master his immediate duties and to carry them out accurately as soon as possible. Everything that he observes should interest him, and he should be all agog to discover what are the purposes of the routine which he is told to follow. He should be ashamed if he makes a mistake without due cause, and discreetly pleased if he succeeds in giving satisfaction. Then comes in the responsibility of his superior officer, or senior comrade, whose duty it is to put him to his work, and see that he knows exactly what to do, and, as far as may be, that he understands the larger operation towards which his little effort is directed. And then above him succeeds the responsibility of the sergeant, as we may call him, whose duty it is to see that the whole platoon is working harmoniously, and that the new recruit is not only doing his best, but getting the best chance of doing his best. And there, or somewhere thereabouts, comes in the captain, who is responsible for the whole company, and should soon become aware if the little recruit is straying from the path, and either guess or ascertain by a little inquiry whether the recruit is himself at fault, or whether his comrades or his immediate superior have neglected to give him the requisite instruction, and put him in the right path.

And this universal pull and thrust of responsibility should run throughout the whole Department, though it be very large; even the Under-Secretary of State, whose main duty lies in higher fields of

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thought and policy, should have a subconscious insight into the machinery of his office, and be aware of the merits and defects of his subordinates far down upon the scale.

It must make instruction and discipline more difficult that in Government departments vacancies are filled as they occur, and therefore there is seldom a squad or a batch of new entrants due for instruction all at once. Instruction has to be run in with the rest of the work. But, although all my hearers know what I am going to say better and far better than I do, I must be allowed to point out that, whatever difficulties in the work may result, it is essential that the young entrant should be put through as many of the branches of the department as possible, and that notes should be kept of any special aptitudes that he may have shown in each.

In this connection, I cannot neglect to express my satisfaction that the practice of detailing a special officer to take charge of Establishment has come into general use since I joined the service. It is on the Establishment Officer (under his Chief) that the direct and manifold responsibility for the training of the staff lies; and, if his more obvious responsibility is to advise as to promotions, higher or lower, and transfers from branch to branch, it is nevertheless true that in a just and enlightened procedure with regard to promotions is to be found the most potent influence over training and efficiency. I should here like to mention with honour the paper by Mr. Walker Watson that is going to be discussed at this meeting. No analysis of character, however well designed, will enable the Head of a Department or an Establishment to dispense with the necessity of estimating the total value of each individual, or to supersede that necessity by the assessment of his dividend qualities and capacities. But a sound principle of analysis, and a sound method of marking, are valuable aids in the process of assessment; whereas a faulty analysis can only darken council. In my opinion Mr. Walker Watson has made a great advance possible in the practice of character assessment.

The building up of a sound spirit in a Department depends upon the proper direction of the efforts of every rank; and the creation of that spirit derives from a sound tradition working through the mind of a keen and conscientious head, supported by colleagues after his own pattern.

But we must not forget that the training of a civil servant, as it began before he entered the Service, so also it cannot be wholly carried out within the Department. The civil servant who wishes to rise (and honourable ambition is the most potent of all incentives) must pursue his own studies in his leisure hours. The Council for Higher Education, which has been run by Mr. Gotts and Mr. Winyard now for several years, has affiliations in all the principal offices, and

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numbers many thousands of clients. The Heads of Departments and the Office of Works have been helpful and skilful in contriving to supply accommodation in the offices themselves after hours. The resources of the London County Council and the various institutions of the London University have been placed at our disposal, and our Committee issues an annual programme, mapping out the great opportunities that are open to all students within the metropolitan area. Like duties are carried out by the local committees for the great centres outside London.

We recognise that the study of any branch of knowledge or any art, if seriously pursued, must always assist in the development of mind, perception, and character. Among the courses we advertise are courses in art, in music, in calisthenics, in literature, not only in those subjects which are directly useful to the civilian. We recognise that anything that tends to make a better, a more complete, a more harmonious individual, tends to make a better civil servant.

And lately a new body has come into the field—the Civil Service University and Professional Association, among whose objects are named the encouragement and furtherance of Higher Education among Civil Servants, and the obtaining of degrees, diplomas, and certificates, in subjects useful to civil servants. The Association usefully points out that the Central Government gives much less encouragement and recognition to such evidence of serious and successful study than is given by many of the more progressive local authorities.

All this leads up to my final observation, which is that instruction, reading, criticism, guidance, and formal training, are valuable only if in the last resort the student does the work himself. The civil servant must get to know the shape and purpose of his department. He must conform to that, and, within it, he must find out what he can do which conduces to the general purpose, and gently and firmly work out that. That may be only the first step; others may follow, but after that each step will be easier.

There is always an antithesis to every decisive proposition. It is well to improve yourself, it is well to advance yourself, but it is well also to remember that the best civil servant in the long run is he who makes it easier for others to do their best.

I started with the knowledge that I have not the detailed experience necessary for the adequate handling of this topic. I trust that others who will be present will supply my deficiencies.

Recruitment and Training of Public Officials

By A. L. N. D. HOUGHTON

General Secretary, Association of Officers of Taxes

[Being a Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

I ENTER this well-trodden field of discussion with considerable hesitation. Almost every conceivable aspect of the recruitment and training of public officials has been given expert, critical, and constructive examination, not only within the Institute itself, but more recently and more intensively in evidence both to the Royal Commission on the Civil Service, and to the Departmental Committee appointed by the Minister of Health. I am stimulated by the belief, however, that the very antiquity of this problem is proof that the last word has not yet been said.

From my point of view, the most forbidding feature of this subject is that any consideration which we may give to the age, education, and time of recruitment of public officials must necessarily contain a greater measure of academic interest than possibility of practical result. This is more especially the case concerning the Civil Service. The State as employer and examiner must come to prudent terms not only with the State as educator, but with the public conscience. The recruitment of officials for Local Government Service also involves certain obligations to the local community which must be combined in due proportion with the primary object of securing suitable candidates for appointment. In most cases, whatever system of recruitment is adopted, it must not only be designed to promote and maintain the efficiency of the public services, but it must withstand the critical gaze of politicians, newspaper proprietors, educational authorities, staff associations, and other people who help to make the world a fit place to live in. Private employers need not concern themselves with the principles of recruitment laid down for the public services. The worst evils of patronage and jobbery

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may go unchecked without questions being asked in the House of Commons. Even systems of recruitment undertaken by efficient and public-spirited industrial undertakings, though conducted with scrupulous fairness, would invoke public criticism if applied to the Civil Service or to local authorities. For instance, it is not unusual for big industrial and commercial corporations to seek nominations from the universities, public schools and secondary schools of promising youngsters with a view to their being offered employment at the conclusion of their educational course. Contrast this with the fate of an experiment made in 1921 of qualifying the openness of the competition for appointment in the Tax Inspectorate in the Inland Revenue Department, by providing as an indispensable condition of candidature a recommendation from the university authorities of *prima facie* fitness for the work. After being assailed on the Civil Service National Whitley Council at, I confess, my own instigation, as an offence against the principle of open competition, it was abandoned. Again, at a time when no private employer would dream of engaging a person without a preliminary interview, the *viva voce* test in certain Civil Service examinations is regarded in some quarters with mistrust and suspicion.

When, therefore, we set about prescribing ideals concerning the age of entry, the educational qualifications, and the degree of specialised training as the basis for recruitment of public officials, we have to compromise with forces which, if not absolutely immovable, are deeply entrenched in national tradition. The question is not so much the system of recruitment which, in the abstract, we require, but what we can get within the limits imposed by principles which almost defy assault, and by practical considerations of undoubted weight.

According to one hypothesis the approach to the problem of recruitment is by way of determining in sequence, firstly, the requirements of the work (including the efficient and economical division of labour); secondly the type of agent to be employed, and, finally, the best means of getting him. In practice that is not the complete process, nor can it be. It is only the first stage if, indeed, it is not actually an inversion of the sensible order. At any rate, sooner or later, demands must be related to the sources of supply. Whatever the starting point, we are eventually confronted with the actual product of the educational system. It is idle to protest that recruitment to the public service must not merely be the reflex of the educational system. Education itself is by no means "an autonomous art," which "develops according to inner laws of growth and defines its methods and proximate aims independently." The educational system is the reflex of the tide of social progress, of economic conditions and of industrial and commercial needs. Some people do

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not believe in education after a certain age. Others cannot afford it, even if they believe in it. Any system of recruitment to the public services which were to impose educational standards which, for economic or social reasons, would be unattainable except by a restricted field of potential candidates would defeat its own object.

The Royal Commission on the Civil Service of 1912 advanced the doctrine that the public service should "gather the natural fruits of the educational system of the country in its various stages as they mature." The point I am making is that there are no other fruits to gather. Leaving aside for the moment the professional, technical and scientific branches of the Civil Service, we find that the entrance examinations are, in general, related to the standards of knowledge which candidates may be expected to have attained at definite stages in their education, viz., at the ages 16-17, 18-19 and 21-24. So long, therefore, as the recruitment of the general administrative, executive and clerical classes of the Service continues to be based upon examinations covering general educational curricula (with or without trimmings in certain cases) the age of entry and the education of candidates are really predetermined by the educational system. It is true that one can consider whether facilities for entry into the Service should be provided at each educational age-point. Whether, for instance, recruitment should be confined to the lower and/or to the intermediate age groups. Perhaps I may borrow Dr. Finer's definition of this: "Should you consider the Service as one to be entered at, say, sixteen, the original entrants to fill higher posts by promotion after their improvement by special administrative education, or should you recruit once at sixteen and again at nineteen or twenty?" The answer depends in part upon the conclusion we come to on the old topic of the need, if any, for the extension of recruitment based upon specialised education.

Already, entry into very highly specialised branches of the public services, both national and local, is confined to candidates who possess qualifications and degrees recognised by the professional institutions. No particular virtue rests upon the State as employer for a development which has been forced upon the system of recruitment of public officials by the professional trade unions. These succeeded firstly in the establishment of their professional status, secondly in devising an acknowledged standard of professional knowledge and skill, and thirdly in erecting fences around the close preserves. The question is whether that development has gone far enough. It may be assumed that every Department has its own special and peculiar work to do, and it might be considered that staff of different Departments should be chosen with regard to the special nature of the work. The prevailing theory is that education in its fullest sense inculcates the

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capacity for the efficient performance of the duties of many branches of the public service. The present method of recruitment for what may be described as the general or administrative branches of the Service is designed to secure reasonably well-educated candidates whose mental abilities the Service then proceeds to adapt to more or less specialised conditions.

Sir Francis Floud, in an excellent paper on "The Sphere of the Specialist" (11th January, 1923) expressed the opinion that "the first essential quality of a good administrator is adaptability." He believed that "this quality of adaptability is more likely to be found in men who have had a good general education and have been initiated at an early age into the daily routine of civil administration than in men who have become specialists in one particular branch of knowledge." Assuming for the moment that we do not accept Sir Francis Floud's view and that we favour a wide extension of methods of recruitment which aim at more specialised attainments, we are at once involved in fresh difficulties. The representatives of the University of Oxford, in evidence to the present Royal Commission, stated that "If it is held that the civil servant of the administrative class should have some special training in administration or in any of the social sciences, we are strongly of opinion that that should be secured by the interposition of a probationary period between examination and service, and not by trying to induce candidates to offer these subjects in the examination."

Professor Gray in his paper "Education and the Civil Service" (July, 1929) stated that "special training if imposed or encouraged must come after entry into the Civil Service." The real truth is that the public services cannot set the pace of progressive development of recruitment methods. The Civil Service Commissioners and local authorities cannot alone bring effective influence to bear upon the general trend of educational development. The co-operation—conscious or otherwise—of other large employers is indispensable to the maintenance of visible contact between industrial, commercial, local government and Civil Service requirements and the educational product.

Perhaps I may be pardoned for alluding to a recent experience of my own in connection with the proposal made by the Association of Officers of Taxes for the revision of the scheme of organisation in the Taxes Branch of the Inland Revenue Department, which revealed with startling clarity the obstacles in the way of modifications of the broad structure of the present system of recruitment. The age limits of entry into the clerical classes of the Civil Service are 16-17. From this examination we recruit a considerable number of officers to the clerical staff in the Taxes Branch of the Inland

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Revenue Department. In our opinion that age is too young for appointments, which after short experience bring an officer into contact with the public and involve the assumption of considerable individual responsibility. Not only in contact with the public but generally, in connection with income tax work, a certain maturity of thought and outlook is desirable in all officers dealing with the extremely personal affairs of the taxpaying community. We accordingly felt that it was desirable for a tax clerk to be recruited at an age when his resource, sense of responsibility and other personal qualities were sufficiently well developed to enable him, within a reasonable time after entry, to take his place and hold his ground as a representative of the revenue. For these reasons we felt that the age limit for entry into the Taxes Service should be higher. We suggested 17½-19. In addition we had a notion concerning the special requirements of the Taxes Service which we desired, if possible, to reflect in the standard of recruitment and the type of candidate obtained for the work. We were guided in this matter by the syllabus of the Open Competitive Examination for recruitment to the Tax Inspectorate, in which is included subjects which have a practical orientation, such as economics, commerce and accountancy. The Committee appointed by the Chancellor of the Exchequer in 1921 rejected the examination for the administrative classes in the Civil Service as a means of recruitment to the Tax Inspectorate, partly because they felt that "the type of candidate that was successful at the Class I examination, however suitable he was on the average for the headquarter administration of the Civil Service, would not ordinarily be likely to find the duties of the Tax Inspectorate congenial, or to show the same aptitude for those duties as might be expected to be found among candidates whose university studies had been pursued with practical aims in view." Believing that the special requirements for recruitment to the Tax Inspectorate applied in corresponding degree to recruitment of the clerical staff, we proposed a modification of the type of examination employed for recruitment to the Taxes Clerical Staff. We took into account that, on the average, the School Certificate is obtained between the ages of 16 and 17. We were aware of the policy of the Board of Education to encourage the Secondary Schools to develop post-School Certificate work on specialised lines. We considered, therefore, that by having a later age of entry than 16-17, which in itself was desirable for other reasons, it would be possible to include in the syllabus of the examination subjects such as economics, elementary business organisation, and elementary accountancy.

We soon encountered the difficulties. The inclusion in the syllabus of the examination for recruitment to the Tax Inspectorate of sub-

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jects of practical orientation is made feasible because facilities exist at the universities for the study of subjects covered by the Economics Degree, and for other specialised studies after the conclusion of the ordinary academic course. The normal Secondary School Course provides no alternative to, or extension of, a general educational curriculum until after the School Certificate stage, and not always then, despite the encouragement of the Board of Education. Moreover, it was thought that many students who were in a position to embark upon a special course of training after the School Certificate stage would probably prefer to go still further by proceeding to the next definite stage in the general educational course, which would take them to age 18-19. They would then be eligible to compete for a more remunerative appointment. There lay the danger of excluding from the field of candidature the boys and girls who had perforce to finish their general education at the earlier stage and at the same time of running the risk of failure to attract those who were able to remain at school for a further eighteen months or two years. We also encountered the opinion that only on the strongest grounds of necessity was it desirable to add to the number of different types of examination for entry into the Civil Service. It was necessary to guard against complicating recruitment and possibly, by the multiplication of the number of separate examinations, defeating the object desired. We were reminded that the 1912 Commission expressed the view that to abandon the system of *general* recruitment to the general classes of the Civil Service would seriously diminish the quantity and the quality of the candidates. The only workable proposition found in the end was to continue recruitment from the Clerical Class Examination but to attract the cream of the successful candidates with the bait of financial advantage!

This illustrates the difficulty of looking at the question of the recruitment of public officials solely, or even primarily, from the point of view of the immediate requirements of a particular branch or section of the public service.

My conclusion on the question of the standard of education to be required of recruits to the public services is accordingly that a good general education must be retained as the basis of recruitment to all posts for which specialised educational preparation is not generally available. I would qualify the above in this respect: I would seek in particular cases greater freedom in superimposing upon a test of sound general education special examination features designed to discriminate against the doubtful type of candidate. In certain circumstances this would take the form of an adjustment of the "balance" of the examination test (an example of this occurs in the weight given to certain of the optional subjects in the syllabus

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of the competition for the Assistant Inspector of Taxes group of examinations). In others it would involve the inclusion of a particular branch of study amongst the obligatory subjects (an example of this is found in the syllabus of the competition for Officers of Customs and Excise). An additional safeguard, which I personally strongly favour, lies in the judicious extension of the *viva-voce* test. I have no sympathy with the critics who seek to abandon this feature of certain Civil Service examinations. After giving full weight to its limitations, there is in my judgment very definite value to be gained from seeing a candidate in the flesh. What private employer would engage a person without an interview? Personal qualities matter in a public official as much, if not sometimes more, than in a private employee. Even in the short space of fifteen or twenty minutes, it is possible, when all is said and done, to make some appraisal of personal equipment for the work in view.

I would endorse the generally accepted doctrine that there should be a place in the scheme of recruitment of public officials for candidates thrown up by successive stages in the educational system. I fail to see how the attainment of higher general educational standards can be encouraged if the State and local government service offers no tangible evidence of their economic value. It is all very well to stimulate enthusiasm for education for its own sake, but material considerations occupy a sufficiently prominent part in human outlook to lead parents to look for some return for their expenditure and the students for their endeavour. I say this without agreeing entirely with the conventional theory that "different grades of schooling are required for the different grades of work." Personally, I am not able to accept the belief that the qualitative distinction between the candidate who enters at 16-17 and the one at 18-19 is sufficiently marked to justify relating those two age groups to quite separate classes on appointment. On the other hand, I am certainly not in sympathy with any proposal to close the door against the candidate who carries his education a stage beyond the ordinary Secondary School Course. My view that a place should be found in recruitment for candidates from each stage in the educational system must not therefore be taken as implying approval either of the present scheme in the Civil Service whereby the 16-17 age group are recruited to one class (Clerical) and the 18-19 group to another (Executive), or of any proposal to discourage the latter from looking to the Service for a career at all.

Turning now for a moment to candidates of advanced academic training, I suggest that quite apart from every other consideration, it would be a strange phenomenon if the vast field of public employment had nothing to offer them. When university graduates are

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shut out of State employment, it will be time to shut down the universities, or at least to regard them solely as centres of academic research and of training for the teaching profession. We have been fully warned of the dangers of the academic mind. Professor Gray reminds us that "the scholarly civil servant will not necessarily be a successful civil servant." He puts us on guard against the "undiluted academic mind." We must also guard against the undiluted mind of any other type. What after all is the main function of a public official? For the most part his business is to administer the law. As Mr. Ramsay Muir rightly points out in his book "How Britain is Governed," there is a "fundamental distinction between the work of industry and commerce and the work of Government." Whereas the former is "productive or creative," the latter is "regulative." The work of government frequently calls for special characteristics. These involve a critical approach to matters offering scope for elucidation; the exercise of mental faculties in the application of involved legal principles to widely varying and complex types of cases. It may involve personal contact with the public, with other authorities, local, national, or even international. The type of individual required is he who habitually subjects matters coming within his purview to a mental process of dissection, criticism and appraisal, and it is this trend which evolves the distinctive mentality commonly associated with the civil servant. The academic mind, judiciously adapted to practical requirements of public business, can be a singularly effective implement of national and local government.

In the foregoing, although many of my observations embrace the whole field of recruitment of public officials, including those of Local Government, I have directed attention more particularly to the Civil Service, with which I am more closely acquainted. The principles of recruitment to the Civil Service are, I think, broadly applicable to the recruitment of local officials. The systems of recruitment in operation for National Government and Local Government services respectively do, however, differ widely. The central control of Civil Service recruitment vested in the Civil Service Commissioners makes for a degree of uniformity and ordered policy difficult to achieve in connection with the recruitment of local officials, owing to the independence and parochialism of local authorities. I understand that at the present moment a Departmental Committee of the Ministry of Health is considering this vast and complicated subject of the recruitment and training of local officials, and in view of the tremendous amount of constructive thought which has undoubtedly been given to it by associations of local authorities and of local government officials respectively, I tremble to embark upon a dis-

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cussion in which I am ill-qualified to participate. If I may permit myself one or two general observations, I should say that one factor which will militate against standardisation of the recruitment of local officials will be differences in standard of local remuneration. Another may be the almost certain necessity for providing purely local avenues of recruitment for certain types of appointment. I am not sure that even if local authorities could be persuaded to recognise definite educational standards for the recruitment of their officials it would constitute much advance towards the solution of the problem. Although such a step would prescribe the field of recruitment it certainly would not provide a basis of final selection.

Assuming for a moment that the possession of the Matriculation Certificate were made an indispensable condition of appointment to certain local appointments, what would be the final sifting process? One suggestion made is that the selection for appointment could then be made by interview. Although such a method would be a marked improvement upon that now applied in many cases and would achieve a measure of uniformity of recruiting standards far removed from existing conditions, I think that it would still leave room for a closer approach to the competitive examination system. The "competitive interview" method of recruitment is defensible in circumstances where candidates possessing specialist qualifications are being selected for professional or technical appointments at an age and in circumstances where a written examination would be manifestly inappropriate. I do not favour, however, its employment as a substitute for a competitive examination, where the latter could be prescribed under perfectly suitable conditions, and in eminently desirable circumstances. The choice between the two methods may not be obvious judged solely from the angle of discriminating between one qualified candidate and another. Nevertheless, there is at least some advantage to be gained from devising the most effective means of skimming the cream off the milk.

That, in my view, lies in some method possibly more scientific and undoubtedly more satisfactory from the public point of view than an interview alone. Retain the interview by all means, but rather as an adjunct than an alternative to competitive examination.

I am greatly attracted to the idea of the institution of a central body with power to co-ordinate and standardise local recruitment methods. Competitive examinations need not necessarily be universal or conducted on national lines. Local conditions could be met by regional treatment of this problem so far as necessary. For general recruitment, as distinct from specialist appointments, there are reasons apart from local sentiment which might lead to the need for a definite measure of local recruitment. I know from experience the

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detering effect upon the field of candidature of the risk of appointment to a place far away from home and local associations. It is bad enough in a Service like the Revenue, where an "exiled" officer may hope for—and in sufficiently strong circumstances may definitely expect—a transfer to a particular locality. In the absence of facilities for the interchangeability of local government officials this unfavourable influence upon the field of candidature might conceivably be much worse.

No system of recruitment, however skilfully and wisely devised, is complete without effective arrangements for after-training. The first twelve months or two years after entry should serve the double purpose of laying the foundations of efficient service and of detecting the odd cases of individual unsuitability for the work. Recruitment is no more of an exact science than promotion. Misfits will creep in under any system. The essential thing is that these shall be discovered as soon as possible after entry, in order that time and money may not be wasted on the further training of unsuitable material and, equally important, that an officer's whole life may not be blighted by unduly deferring the evil day. In my opinion the probationary period of newly appointed civil servants is frequently allowed to be frittered away without providing any real test of potential capacity for the duties which lie ahead. This results either in the retention of unsuitable people or in their dismissal on the grounds of inefficiency at an age when they have no reasonable chance of embarking upon an alternative career.

There is a growing appreciation of the need for effective training of recruits to the public service, but there is ample room for the exercise of more determination to see that they get it. Training may be of two kinds; internal, or that part of it which is obtainable only as an accompaniment of official experience; and external, or further education, the pursuance of which involves the study of specialised subjects which are more or less closely allied to a particular branch of official life. The scope, duration, and intensity of an officer's training should obviously depend upon the grade and section of the Service into which he has been appointed. I would not prescribe the same scheme of training for a Clerical Officer as for a First Division Clerk. Nor would I suggest that a Third-class Officer in the Ministry of Labour should be brought within the training scheme of an Assistant Inspector of Taxes, despite the fact that they are both recruited from the same open competition.

But even for the Clerical Officer I have more in mind than mere tuition within the narrow sphere of the immediate demands of the work in hand. Training, as I envisage it, implies not only systemised initiation into the mysteries of the law and practice governing the

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particular section of the work upon which an officer may be engaged, but the cultivation of a broad and intelligent conception of his place in the machinery of the local authority or the Government Department as the case may be. I would carry the definition even further in its application to recruits to administrative posts by prescribing for them the need for study of the wider aspects of the science of public administration.

We have already examined the limited scope for the insistence upon specialised study as a condition of entry into the public services. Educational authorities and persons of acknowledged repute in the field of public administration agree upon the reservation of specialised study for the post-entry period. Whilst there is general agreement upon the *stage* at which this should be undertaken there is a conspicuous and lamentable lack of adequate provision for either training or study in this direction. Speaking of the Civil Service, not only is there inadequate provision of facilities for internal or official training, there is in addition a noticeable absence of incentive to further education. These defective facilities for official training apply more particularly to grades below the administrative class. One of the evils of the past (which happily is rapidly being remedied in some Departments) has been that of making little or no allowance in the staffing arrangements of the office for the training of new entrants. Firstly, supervising officers have been overburdened with individual duties to such an extent as to leave them with limited freedom to devote to their juniors. Secondly, and if anything more serious, new entrants have been regarded as effective staffing "units" almost from the beginning, with the result that they have been saddled with a volume of work (obviously, in early days, of a simple character) occupying their whole time and attention, thereby giving little opportunity for the gaining of wider knowledge and experience. These deficiencies seem almost too elementary to mention, but I am convinced that they have been the root cause of the indifferent training given to many of the entrants to the clerical classes in the Civil Service in recent years.

It is possible that the Taxes Branch of the Inland Revenue Department is in the van of progress in regard to the training of staff in the Civil Service. Newly appointed Tax Clerks (who form part of the Clerical Classes of the Civil Service) are, wherever possible, posted to tax districts for training purposes, and during a preliminary training period of six to twelve months are supernumerary to the normal complement of the office. Each officer is supplied with an "Outline of Income Tax Law and Practice" which enables him to obtain a general conspectus of the principles and scope of the Income Tax, and of the machinery employed in its

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assessment and collection. Instructions are issued by head office to the local district office concerning the mode of employment of the new entrant during his period of probation. Safeguards are imposed against the unduly long employment of a new entrant upon routine work, and reports are called for by head office from time to time concerning the scope of the training given to the officer concerned, and of the progress being made. After confirmation of appointment, at the conclusion of twelve months' probation (which may in certain circumstances be extended) an officer is then supplied with a collection of instruction manuals more detailed and technical in their treatment of Income Tax work than the "Outline". An indispensable condition of promotion to the tax officer grade (which is the grade above that of the tax clerk) is the passing of what is known as the Tax Officers' Qualifying Examination, which is a comprehensive written test covering the whole field of the clerical work of a tax office. A tax clerk may undertake voluntary candidature at this examination after three years' service. On the conclusion of five years' service candidature at this examination becomes obligatory. A compulsory candidate at the examination who fails to qualify is again called up the following year. A candidate who fails twice after having completed five years' service may volunteer to take the examination again, but further candidature is not *imposed* upon him. That a tax clerk may not be promoted to the rank of tax officer until he has passed this examination provides a very definite stimulus to the tax clerk to embark upon a systematic study of his lectures and books of instruction involving, in the final stages of preparation for candidature, the devotion of considerable private time to the acquisition of theoretical and practical knowledge. Within the limits of practicability tax clerks who have not passed the T.O.Q.E. are given every facility and encouragement to gain the necessary experience and knowledge to enable them to do so. Tax clerks preparing for the examination are, as far as possible, released from overtime and definite restrictions are placed upon their employment on specialist duties at headquarters and other offices until they have passed the examination. It is naturally the keen desire of every tax clerk who has still to pass the examination to gain experience on clerical work over as wide a field as possible. If a removal from one district to another (even if it involves removal from one town to another) is the only means of providing a tax clerk with reasonable experience, a transfer may be carried out where it can conveniently be arranged. In order that the training and field of experience of tax clerks who have not passed the examination may be carefully watched, a "Record of Experience" is kept in each case. When a tax clerk is transferred from one district to another the "Record

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of Experience" accompanies him to the new station. The object of this record is to ensure as far as possible that a tax clerk is given every opportunity of gaining experience in all sections of the clerical work.

As regards the Tax Inspectorate, an Assistant Inspector of Taxes is appointed on probation for a period not exceeding two years. During this period he is subject to tests (including the passing of a Departmental Examination in Elementary Law and Practice relating to Income Tax and Land Tax and the general work of an Inspector's office). If an officer has not satisfied these tests within a period of two years it is not possible further to retain him in the Public Service. A more advanced examination of a similar character, leading to the grant of a Commission as Inspector, is required to be passed after a further interval. Here again, the Department cannot undertake to retain in their service any officer who does not qualify as an Inspector. The syllabus of the Preliminary Examination for which an Assistant Inspector is normally expected to sit about fifteen months after appointment, covers the law and practice under Schedules A, B, and E, and the general clerical work of a district. The Commission Examination, at which an Assistant Inspector is normally required to sit about fifteen months after passing the Preliminary Examination, covers the Law and Practice under Schedule D Accounts (including the necessary knowledge of book-keeping), Dominion Income Tax Relief, and office organisation and management. A systematic training course is prescribed for newly appointed Assistant Inspectors, involving attendance at official expense at specified lecture centres in different parts of the country. Senior officers are detailed for work as lecturers. One of the big difficulties in the revenue in connection with training schemes, especially those involving oral lectures, is the disposition of the staff over the whole of Great Britain and Northern Ireland. This is overcome to some extent by discrimination in the selection of districts to which Assistant Inspectors are appointed for training purposes. Part of the training of an Assistant Inspector comprises actual experience on all branches of the clerical work of a tax office as well as upon the duties appropriate to the Tax Inspectorate. Assistant Inspectors who have not passed the Preliminary Examination are treated as being in a "cadet" class, and are attached to districts for the specific purpose of training and are given the utmost possible freedom to devote themselves more to the acquisition of knowledge than to the actual performance of Income Tax work.

Another branch of the Inland Revenue, the Estate Duty Office, whilst recruiting its Assistant Examiners from the Executive Group of situations in the Civil Service, imposes as a condition of service that

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entrants shall in due course either obtain a university degree in Law, or be called to the Bar. After the end of five years Assistant Examiners who have obtained the necessary legal qualifications are given the title of Examiner and receive a special salary advance. In the Valuation Office Clerical Staff promotion from the grade of Valuation Clerk to that of Senior Valuation Clerk is conditional on qualification in a Departmental examination covering office organisation and routine, together with certain special subjects, *e.g.*, practical draughtsmanship, scale drawing, elementary mensuration and the measuring up of buildings on the site. In the above Departmental schemes of training there is present the definite incentive to attain the standard of qualification laid down either as a condition of retention in the Public Service, or as a condition of advancement. In circumstances, for instance, where the only value of an Assistant Inspector of Taxes lies in his potential capacity to assume the duties of an Inspector, the prescription of the attainment of certain qualifications as an indispensable condition of continued employment is fully justified. In other cases, where failure to qualify for advancement does not necessarily destroy an officer's utility as an official agent in a particular sphere of work, the imposition of a similar condition would be unwarrantably harsh. I think that the Inland Revenue arrangements for official training might with advantage be extended to other branches of the Civil Service and possibly to some sections of the Local Government Service. In such Departments as the Ministry of Health, Ministry of Labour, Customs and Excise, there is probably scope for a more scientific approach to the problem of post-entry training. My knowledge of other Civil Service Departments does not, however, enable me to dogmatise.

As distinct from what I have described as internal or official training there is the question of the encouragement of external training or further education. Whilst it may be true that the acquisition of external qualifications, diplomas, &c., may enhance personal claims to advancement in the Public Services, the existence of promotion blocks in many cases diminishes the apparent value of further education. There is frequently insufficient inducement to undertake the burdens of private study and the considerable sacrifice of time involved. I think that in circumstances where external qualifications reflect themselves in the quality and value of service to the State, arrangements should and could be made to recognise the fact by means of some special reward. I believe that it would be worth while considering such devices as accelerated incremental progression, or the award of special allowances. The specification of the directions in which further education should be encouraged would be a matter for consideration in the light of the requirements of the

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particular branch of public work in which officers were engaged. At the present moment, however, an Inspector of Taxes who becomes a barrister, an incorporated or a chartered accountant, is not given any special recognition of the attainment of qualifications which cannot help but enhance his economic value to the Department. It would also be a matter for consideration and determination by reference to other factors whether this encouragement of further education should be given concurrently with the arrangements for official training, or whether it should follow afterwards. At any rate, I am satisfied that in these days there exists the strong need for the encouragement of the attainment in public officials of qualifications which will enable them to occupy a creditable place in the machinery of government of a community which tends more and more to become highly specialised.

Recruitment and Training of Public Officials in Germany

By MAY L. DHONAU

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

IF in recent years the problem of the recruitment and training of public officials has been receiving considerable attention in England, it is not surprising to find that this is also the case in Germany, where under post-war conditions it has attained a particular degree of importance. Here, indeed, the treatment of the problem has passed the initial stages of discussion.

Already before the war there were isolated attempts on the part of some authorities and groups of officials to improve the educational standard of public officials and the facilities provided for their training. Such attempts have since the war become so widespread and systematized as to deserve the name of a movement. It was not enough that officials should regain their former routine. The revolution brought with it fundamental changes in the relation of officials to the State and the public, while the legislation of the Republic has imposed on them ever-increasing tasks. One of the peculiarities of the post-war period has been the constant imposition by Reich and Lands of fresh obligatory functions upon the local authorities. The latter have themselves realised the importance of better training for their officials and with regard to one large group at least have taken the initiative in providing it. In this they were not actuated solely by philanthropy and public spirit, although these undoubtedly played their part. While the tasks of administration grow, the resources of the local authorities have become increasingly inelastic and are strained to the uttermost. The problem of administrative reform has become a question of public interest and of lively if not always well-informed controversy. It is not enough, so it is maintained, that reforms should be made in organisation and material equipment. In addition, the efficiency of the officials themselves must be increased. Local authorities, incited by the stringency of their resources and the force of public opinion, have begun to think in terms not only of

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salaries but also of labour costs. In some respects the movement has gone so far as to defeat its own ends, for in many cases the demands made upon officials are such that they have neither time nor energy for further education or training.

In order to comprehend the nature and importance of the measures which have been taken for the training of public officials, it is necessary to take a brief survey of the general administrative structure of German local government.

Local officials fall into two main categories, local State officials and the officials of the self-governing authorities. The local State officials are recruited in the same manner as the central services. Higher officials, with certain exceptions, must have legal training, while the lower and intermediate grades have to pass, after a period of practical training, examinations similar to those taken by the officials of the self-governing authorities at the schools for public administration to be described later.

The officers of the self-governing authorities can be classified in various ways. We must distinguish first between the officers of the Provinces, Circles and Communes, or of the equivalent authorities in non-Prussian Lands. Although the administrative structure of these bodies varies, there is no fundamental difference in their methods of recruiting and training their officials. Local authorities are free to organise their departments as they will, and the most genial diversity prevails in accordance with the size and type of authority. The characteristic German classification of officials is into three grades, higher, intermediate and lower. Into each of these divisions fall administrative, professional and technical officials, clerical officers being included in the administrative category. This classification is not merely one of convenience but corresponds to an actual division into three classes of officials according to the importance and difficulty of the work, and from whom to a certain extent different qualifications are demanded. Although this classification is recognised by the law, there are no legal regulations as to the officers to be included in each group. This varies again with the size and type of authority, *e.g.*, the head clerk of a department may or may not be reckoned a higher official. Inclusion in each group is determined not so much by the previous education and training of the officers as by the character of the work to be performed. However, academic qualifications are often attached to the higher posts, while in recent years there has come into operation a scheme for systematizing the training of officers for certain intermediate posts.

The highest officials are responsible for the conduct of some department or undertaking, subject to the general control of the head of the administration. In towns with the Magistrat constitution certain of

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these officials are elected by the assembly into a college which is itself responsible for co-ordination of the administration. The *Bürgermeister* is, *ipso facto*, a member of the Magistrat and its leader, but the head of a department in one authority may sit in the Magistrat and confer on equal terms with his colleagues, while in another the head of the same department has no voice in the decisions of the Magistrat. The position of the technical and professional officers is in this respect most diverse. The director of the public gas-works may be a member of the Magistrat and fulfil administrative as well as technical functions, or he may be, and generally is, subordinated to some higher administrative official who represents his undertaking together with some other work or department in the Magistrat. The health department may be represented by a doctor or an administrator. In any case, the work of the Magistrat is administrative, no matter whether it is composed of professional, technical or otherwise qualified officers. In the Provinces and Circles the departments are under the direct control of the *Landeshauptmann* or *Landrat*, together with their advisory councils. In addition to these chief officers, there are other higher officials employed on account of their professional, academic or technical qualifications in leading positions, either in subordinate administrative posts or in order to carry out some specialised function. Others act as assistants, informers and so on, to their superior officers.

In contrast to the lower division, the intermediate officers co-operate in the work of administration. They are responsible to a large degree for the examination of the documents and preliminary investigations, upon which they have to report to their superior officers. In certain cases they have power of independent action.

Not all the servants of the local authorities are officials in the German sense. Distinction has to be made between the officials and the "*Angestellte*," or "employees." We are faced with an initial difficulty in treating this subject, since there is no clear definition in German law as to what constitutes an official. They cannot necessarily be distinguished according to the nature of their work, for work of an identical nature is often carried out by officials and employees. Even some of the most important work may be carried on by an employee. A doctor, for instance, or the director of a public undertaking may be either an official or an employee. Even the favourite distinction between a servant endowed with the exercise of power on behalf of the sovereign authority does not hold good. It has thus far significance, that most of the lower administrative and in particular the clerical posts, are filled by employees. The only finally valid distinction lies between the terms of the agreements upon which the officials and employees are engaged. The employee is engaged

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upon the same terms as he would be by any private person or association. The official has particular obligations and compensatory advantages, chiefly with regard to security of tenure and latterly also with regard to the training provided, and the consequent chances of promotion.

Officials may further be classified according to method of appointment. Certain of the higher officials are elected, notably the members of the Magistrat. Conditions as to appointment are not the same in all parts of Germany, or even in every district of a single Land. The general principle observed, however, is that the highest officials and possibly Angestellte are elected or appointed by the council, the others are appointed by the head of the administration, who is responsible for the control of current administrative affairs. Ratification by the council is sometimes necessary, and the opinion of the council may be asked even when the ultimate decision rests with the administration. The same rule applies to promotion. The advantages of the system are that it prevents unwelcome publicity in the discussion of qualifications, while allowing appointments to all departments to be supervised by a single authority with power to arrange for transference. The term "elected" as applied to the highest officials has a certain significance, since political factors, as well as personal qualifications are often taken into consideration at the time of appointment.

Various methods of appointment are adopted. In some cases the head of the administration, whether collegiate or personal, conducts the whole work of investigation and interviewing, but most large authorities appoint Establishment Departments or Committees with power to make the preliminary investigations and selection. The Establishment Departments are further responsible for the distribution of the officials between the departments. Higher posts and even many intermediate posts are advertised, though it is generally the custom to recruit all but the highest officials from within the particular service, with the exception that fresh entrants are permitted for the intermediate divisions. The intermediate official may indeed apply for promotion to another authority and the Prussian scheme for the training of officials is designed to facilitate this practice. In the case of the higher officials, however, there is a great deal of transference from authority to authority, and of administrative officials from one department to another. Transference of lower and intermediate officials among the departments is more frequent among the smaller authorities than among the larger, where specialisation is greater, but even here the official is trained in more than one department.

Fresh entrants to the service are recruited mainly from the neighbourhood. Prospective candidates apply to the authority by whom they wish to be engaged, and are summoned for interview. Inter-

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views take place as a rule in April and October, when the older officials retire on pension. Entrance examinations are rarely held, the prevalent opinion being that they are not a fit test of administrative capacity. The system preferred is that of appointment on probation with practical training, combined under the scheme to be discussed later with theoretical training for intermediate posts. Preliminary examinations are only demanded of those candidates who do not possess the prescribed educational qualifications in the form of leaving certificates, and so on.

Apart from the rule that one member of the Magistrat must be a lawyer, no qualifications for local officers are demanded by statute or regulation. The form of qualification demanded differs naturally for professional, technical, and administrative officials. Except where questions of a general nature are involved, the following survey concerns the administrative and clerical officials.

Elementary education is generally sufficient for entrance into the lower divisions. The official begins his career as a learner and is often transferred from one department to another during his period of probation. He is only finally accepted if his aptitude is proved, the length of the probationary period varying greatly as between different authorities. He is given no other training apart from that gained in practical work.

It is for the training of the intermediate officials that German local authorities have taken the greatest care. Administrative rationalisation would in any case have made unprecedented demands upon the intermediate officials, but in addition to this they have now to perform certain of the tasks formerly carried out by their superior officers. The amount of the work to be undertaken makes it imperative that the higher officials should be able to leave all the preparatory stages to their subordinates and to grant them considerable power of independent decision. The intermediate official, in particular the Obersekretär, is a highly important person, since the manner in which he prepares and presents the case to his superior officer, must be of influence upon the ultimate decision of the latter.

The local authorities were driven into taking measures for systematising the training of intermediate officials partly from fear of State intervention, already manifested in the regulation of salary and pension rights. Accordingly, in 1924 the Prussian Städtetag and the Reichsstädtebund decided, in conjunction with the Verband der Kommunalbeamten und Angestellten Preussens (Prussian Association of Local Government Officers and Employees), to work out a scheme for the training of intermediate officials. Certain non-municipal associations entered later into co-operation. The result of their negotiations was the circular addressed by the Prussian Städtetag to the

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Provinzialstädtetage on the 5th March, 1926. This opens by recognising the importance of local experiment but concludes that it is outweighed by the value of uniformity in securing a general higher standard of training and allowing greater opportunity for the transference of officials.

According to this scheme, appointment to the posts of Sekretär and Obersekretär shall be made dependent on attendance at a school for public administration, the course for each post to be concluded by an examination. Such schools were already in existence, the oldest, that of Aschersleben, having been founded in 1909, but the Provinzialstädtetage are to be responsible for ensuring that other and sufficient schools are founded. As a general rule the schools shall be maintained by the provincial and regional municipal associations. The circular included recommendations for the government of the schools, for the syllabus and examinations. Schools wishing to be recognised under the scheme must have their constitution, syllabus and examination regulations (including the composition of the board of examiners) approved by the Prussian Städtetag.

Candidates for the intermediate service must have reached the Obersekunda at a grammar school and bring a good class report. That is to say, they will be about 17 years of age. Reports and certificates from other institutions of equal educational standard are accepted. Candidates with elementary education may be admitted but must pass, at least before attending the school for public administration, a preliminary examination in general education.

The period of training lasts for four years. During the first three years the probationer is trained in all the most important departments, a minimum of six months being assigned to each department. In the fourth year he or she receives theoretical training at a school for public administration. If part-time instruction only is given the theoretical training begins in the third year. For the candidate who has passed his Abitur or State school-leaving examination, which secures admission to the universities, the period of training is reduced to two years, for candidates who have reached the Prima, corresponding more or less to our lower sixth form, the period is reduced to three years. Elementary scholars, on the other hand, have to serve for six years as probationers. The passing of the first examination qualifies for appointment to a secretaryship but does not entitle to immediate engagement. The successful candidate must wait until a post becomes vacant, and in the meantime continues to serve as a probationer. Before he can apply for admission to the course for Obersekretäre he must spend another five years in practical work, unless he has passed his examination with "Good" or "Very Good," in which case he need only serve for two years. The course

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for Obersekretäre or similar posts lasts for one year, and is part time.

Candidates for the intermediate service are recruited not only from the lower division and from "outsiders," but from the Versorgungsanwärter or professional soldiers and policemen who have served their time in the Reichswehr and police forces.

The Prussian circular stipulates that the probationer shall receive his salary while attending the school, but the local authorities are not obliged to pay his fees. A number of local authorities do however send probationers at their own cost.

The instruction given covers a wide range of subjects. The following subjects are studied:—

- (1) Political Science and Public Administration.
- (2) Special branches of Public Administration.
 - (a) Rights of officials.
 - (b) Police, trade and building.
 - (c) Finance and taxation.
 - (d) Welfare.
 - (e) Labour legislation and insurance.
 - (f) Education laws.
- (3) Budgets, Accountancy.
- (4) Arithmetic and Commercial Book-keeping.
- (5) Methods of organisation.
- (6) Commerce.
- (7) Law.
- (8) Organisation of the most important departments and undertakings.
- (9) Shorthand.

Shorthand need not be studied at the schools. Experience has been so bad in this respect that candidates are asked to acquire their knowledge of shorthand previously.

All these subjects are compulsory. From this it will be realised that the instruction is indeed that of the school and not the university. It is not, however, of an entirely elementary nature since the probationers have already acquired practical knowledge of their work. The aim is to train officials for employment in more than one department, but it may well be maintained, in view of the previous practical training of the probationers, that the instruction is too technical. There is no specialisation for the second examination; the instruction given being simply of a more advanced nature. Only officials of the municipal banks take a specialised course for their second examination.

In this connection the public schools for welfare and social science may be mentioned. These are generally local institutions, supported by State grants. They train health and districts visitors, kinder-

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garten teachers, crèche nurses and similar officials. The administrative officials receive the ordinary training for intermediate officials.

It is the general practice of German local authorities, whether or not they make provision for theoretical training, to take apprentices or probationers in their administrative departments. There are no legal regulations concerning either the duration of the period of apprenticeship or the payment of salaries. The local authorities are not obliged to pay salaries to their probationers, although it is customary to do so. On the other hand, the probationers themselves do not pay fees. It has become a growing habit among some local authorities in these hard times to take more probationers than they mean to engage in the near future, and in this way to get much of their secretarial work performed at a cheap rate, a practice unequivocally condemned by the Prussian Städtetag, and for the rectification of which legal intervention will probably be necessary.

Despite the general acceptance of the principle of apprenticeship, some schools of public administration admit scholars who are not yet probationers. This practice is likewise widely condemned, in the first place because it transgresses the canon of combined theoretical and practical instruction, in the second because it retards the progress of probationers who have already had practical experience.

The scheme outlined above is based on the so-called "Einheitslaufbahn" or single career. This system provides for the uniform training of probationers without regard to their previous education or training. That, at least, is the definition usually given, though it is not accurate since the length of the training varies in fact with the educational qualifications of the probationers. The essential of the single career system is that it obliges all intermediate officials to enter through the lower posts of the division. It must be clearly understood that there is no single career system for the local services as a whole. Where the "Doppellaufbahn," or double career is introduced, the intermediate division is itself subdivided into two grades, called with characteristic German descriptiveness the simple and the difficult services, but which we will name the minor and the major grades. Elementary education is sufficient for entrance to the minor grade. Training for this grade is merely practical and should (according to the Prussian regulations) end with an examination not to be taken before the probationer has reached the age of twenty-two. Qualifications and training for the major grade are similar to those for Obersekretäre under the single career system. Probationers from the minor grade may be admitted to the major grade, but must first pass a preliminary examination in general education.

The advantages and disadvantages of these two systems are debated with vigour by their respective adherents. About 90 per cent.

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of the Communes have the single-career system, while the double career has been introduced in a number of large towns. From the point of view of promotion the difference between the two systems is not so great as may at first be supposed. It is possible for officers with elementary education to rise to the higher posts under both systems, provided they can attain the prescribed educational standard. In the single career a greater number of less well-educated candidates are excluded initially, while in the double career they may gain entrance to the service but cannot enter in the same proportion into the major grade. The double career is often preferred on grounds of economy. It enables local authorities to create a class of less well-qualified and less expensive officials, while providing no check upon the work to be handed over to this grade. It allows indeed an evasion of the responsibilities incurred under the Prussian scheme for the single career, which seeks to divide the work so as not to create blind alleys and demands a higher general level of training for the intermediate division. The double career is likely to prevail, however, in the large towns where much of the work, even in the intermediate division, is specialised routine.

Despite the fact that adherence to the Prussian scheme is purely voluntary and cannot be enforced upon the local authorities even by those communal associations who took part in the preliminary negotiations, the whole of Northern Germany is covered by a network of public administration schools. It is generally recognised that full-time instruction is the most satisfactory, but part-time instruction is nevertheless given by many schools. This is notably the case in the Rhineland and Westphalia, where the train services are particularly good, but is often due to the expense, both for the authorities and for the officials themselves, of a full-time course of instruction. Owing to the question of expense and to the fact that the schools are not available on this score for many officials, many local authorities continue to hold courses for the training of their own officials.

In non-Prussian Lands, for example, in Brunswick and Thuringia, attempts are also being made to regulate the training of officials. In general the Prussian scheme has been adopted. This scheme has the advantage of ensuring a uniform standard of training, while at the same time leaving unimpaired the freedom of the local authorities in selecting and appointing their officials.

Apart from a few sporadic courses, nothing has been done to provide for the training of the employees. Where these hold posts which are considered as equivalent to probationary service, they are of course, able to receive the training given to the official probationers.

The systematic training of officials in schools for public administration is the result, as has been shown, of efforts primarily on the

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part of the local authorities. The Academies of Public Administration, on the other hand, of which there are at present 24 in Germany, owe their foundation to the initiative of the officials themselves. They answer the need felt by many officials for a more advanced form of training than that provided at the public administration schools.

There were already before the war institutions in existence for the academic training of public officials. These provided, however, a four-term course (two years) of full-time instruction. Such a type was felt to be unsuited to post-war conditions. The majority of the officials desiring academic training wish to study while pursuing their vocation. They have neither time nor money for full-time attendance at a university. The academies therefore provide part-time, largely evening, instruction. In 1921 the then existing academies formed an association for collaboration in their work, which was afterwards transformed into the Reichsverband Deutscher Verwaltungs Akademien (National Association of Academies of Public Administration). The academies are maintained by the various official organisations, but receive grants from the Reich, Lands and certain large Communes. The Association has worked out a scheme to which, owing to the co-operative nature of the organisation the academies mostly adhere, while introducing modifications in accordance with local experience and conditions.

The courses provided last for six terms (three years). All students are trained in the social sciences, in economics and in law. They are given indeed the kind of mixed instruction which some reformers recommend should be made compulsory for all academic candidates for the civil services. In addition, particular courses are held for the different classes of officials attending. The latter are recruited mostly from the intermediate grades, although higher officials also attend. The academies refuse to provide general education of a superficial and dilettante character, but most of them include courses in philosophy and history. Two examinations are held, a general one in public administration and a special one for local officers. The academies are founded as a rule in university towns and are run in close conjunction with the universities. They are staffed, however, not only by university lecturers but also by leading officials, and are concerned to maintain a close connection between theory and practice in their instruction. In order to make some provision for officials who are not in the neighbourhood of an academy, week-end and vacation courses are held.

The Academies of Public Administration have to meet various forms of criticism. On the one hand it is maintained that there are too many of them. Only a very small proportion of the students pass or even sit for the final examinations. For instance, of the 1,173

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regular students at the Academy of Public Administration in Berlin in the year 1928-29, only four passed the general examination, while eleven obtained the diploma in local government. From this we may conclude that past methods of recruitment did not produce the type of official who is fit for academic training, or that administrative training is not conducive to the academic frame of mind. In both suppositions there is certainly some truth, but a further and more important explanation is to be found in the fact that the academies are attended by officials whose energies are already highly taxed by their vocational duties.

On the other hand it is maintained that there are too few academies, that the existing ones can only be attended by officials in the neighbourhood, and that this gives them an undue advantage over their less fortunately situated colleagues. For this reason many of the officials themselves view with disfavour any recognition paid to the examinations held by the academies. Local authorities also have not shown themselves too ready to recognise the certificates as qualifications for promotion. The academies indeed serve their accredited purpose of raising the general level of education and training among the officials but do not afford, as much as might be expected and desired, a means by which intermediate officials may advance to the higher posts.

Apart from the one exception already mentioned, the local authorities are not bound by statute or regulation as to the qualifications to be demanded from their higher officials. The title of the Prussian Circular is, however, significant. It runs:—"Training for local officials without academic qualifications." Academic qualifications are often demanded by local authorities for their higher administrative posts. In the past these posts were generally filled by lawyers, but there are now ample opportunities for economists.

The local authorities have not considered it necessary to train their own highest officials themselves or to demand of them some special training qualifying them for public service. The prevalent view is that of Dr. Nischk, principal of the school for public administration in Aschersleben, when he writes:—"Consequently the training of candidates for the highest posts by the Communes themselves is entirely excluded. It would be indeed uneconomic, since experience has hitherto shown that the general academic and professional training on the whole satisfies the necessary requirements." Such is not the view of Dr. Walter Norden, director of the Kommunalwissenschaftliches Institut of the University of Berlin. This was founded in 1928 by the Prussian Government as a result of unremitting efforts on the part of Dr. Norden and of decisions on the part of some Communes and Communal Associations to grant financial assistance. Here

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students intending to enter the local services may specialise in communal administration. They do not necessarily at once obtain administrative posts but are employed as "Informatoriker" or "wissenschaftliche Hilfsarbeiter"; that is to say, they prepare reports and undertake research work in an assistant capacity to the higher officials.

The highest administrative posts are further recruited from among the subordinate officials, from members of the assembly, from "outsiders" and from the specialists and technical officials. The majority of the professional and technical officials prefer to continue to serve the local authorities in their capacity as specialists rather than to enter administrative posts. In contrast to the State services, however, they can enter the higher administrative positions in local administration and cannot make the complaint, often justifiably raised against the State services, that the work of the specialist and technician as such is despised, and that he is given no opening to the higher administrative positions. For 20 years at the Charlottenburger Hochschule a specialised training was provided for technicians intending to enter the civil services, in order to qualify them for administrative as well as technical work. The experiment, although successful, has been dropped owing to the opposition of the pure technicians, who considered this mixed training inferior while providing an undue advantage for entrance to the civil services. Two hundred students were trained in this way, most of whom are at present engaged in the local services.

For the further training of higher officials there are in existence the institutions already mentioned in connection with the Academies of Public Administration, and the courses held by the various official organisations themselves. The Deutsche Vereinigung für staatswissenschaftliche Fortbildung is an association of higher officials to which the Städtetag belongs. It holds twice a year regular courses of three weeks' duration, when questions of outstanding importance are treated and discussed. The Association performs indeed the kind of work which is carried out by the Institute of Public Administration itself.

I will now endeavour to summarise and comment upon the main features of the German system.

The educational standard for entrance to the local services is not uniformly regulated and is in general low. In the case of those authorities adhering to the Prussian scheme or some kindred system, this defect is redressed to a certain extent by a severe process of training for the intermediate posts. Uniformity of training is attained not by central regulation but by voluntary agreement on the part of the local authorities. Owing to the nature of the work done in the intermediate divisions, it is of fundamental importance that these posts should be filled by well-trained and capable officers, and it is the

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custom to admit applicants with the necessary educational qualifications directly to this division, as well as to take them from the subordinate ranks. The experience of the schools for public administration goes to show that the officer with elementary education generally finds the work more difficult than his fellow from the secondary school. He is often more industrious than the latter, for he realises that he has much to make up, but his power of judgment is little developed. This is a factor in favour of a higher initial standard of education, though it is most desirable that this should be introduced in company with general educational reforms. The scholarship system is not widely developed in Germany, and there would be a real danger that numbers of worthy though less fortunate candidates would be excluded. As a less satisfactory alternative it might be possible to insist that young officers should attend continuation schools until they have acquired the necessary qualifications.

Instruction in evening classes and courses attended out of office hours cannot provide a real substitute for the mental training obtained in the higher forms of the secondary schools and at the universities. This is proved by the experience of the schools and academies of public administration themselves. Very few officers are able to pass the examinations held by the latter. If the Academies of Public Administration are really to provide a bridge by which officials from the intermediate divisions may pass to higher posts in those cases where academic qualifications are required, they must be given at least partial leave of absence from work and in case of need financial assistance. The period of training might then be reduced. Unfortunately the present financial circumstances of the local authorities are not favourable to such a development.

In Germany, as in England, the official is trained in the service, though with the stipulation that he is at first installed merely as a probationer. It is undoubtedly an advantage that every official should be subjected to a period of probation in practical work, whether or not he gained his entrance by examination. The passing of an examination no more indicates a good official than the possession of a first-class degree necessarily indicates a first-class teacher. In Germany, however, it has been recognised that training by means of office routine is not enough, and under the scheme voluntarily adopted by many local authorities provision is made not only for a systematic training covering the work of more than one department, but for theoretical training as well. The aim of this training shall be:—"to extend and deepen the knowledge gained in practical work and to increase the official's power of judgment and independence of thought."

University training is often demanded for the higher posts. The

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highest administrative officials, and in particular those of the Magistrate, do indeed form a class to which we have nothing to correspond in England, since they stand between the departmental specialist, the professional and technician and the elected assembly. This accounts for the partly political character of the highest officials. They are ministers and members of an executive body standing in close relation to the elected assembly. Not all higher officials have this political character, since the professional and technical specialists, subordinate administrative officials and assistants of departmental heads, also belong to the higher class. The system naturally has its dangers, since political considerations may be allowed to outweigh criterions of efficiency. There is, however, no system of government which can entirely preclude the possibility that efficiency may be made subordinate to political expediency. The only safeguard lies in the good sense of the members of the representative bodies themselves. With one or two notable exceptions, the German system is extremely successful.

Like the lower and intermediate officers, the higher official, although selected on the ground of his academic, professional or technical qualifications, generally acquires his knowledge of public administration after he has entered on his official career. It is not demanded of the lawyers and economists, from whose ranks a large number of the higher officials are drawn, that they should have had a special training fitting them for the local services. The greatest dissatisfaction has long been felt with the prevalent system of legal training, but hitherto no radical reforms have been effected. It is more deficient as a training for the local services than that afforded to economists. The economist can put to use most of his theoretical knowledge and is equipped with a mental training that is of particular advantage for the economic and business aspects of local government. The experiment of the Charlottenburger Hochschule in providing a special form of training for technicians desiring to enter the public services was successful and might be repeated. This was, however, an administrative rather than a specialised technical training. It seems clear that when the public service demands special technical or professional knowledge the higher official should be able to show specialisation, either of a theoretical or practical nature, in those branches.

One peculiarity of the highest German local officials needs special mention. The administrative officer often moves not only from authority to authority but also from one department to another. It is thus essential that he should have such initial qualifications as render this possible. His training must be wider than the particular work on which he is engaged, and must be such that he will adapt

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himself readily to his new position. This system has the beneficial result that officials often have knowledge of the work in other departments and are saved from a narrow departmental outlook. It cannot be maintained, however, that an academic or professional training is the sole suitable qualification for the highest posts. These are recruited, as has already been stated, not only from the universities and professions but from the elected assemblies, from the ranks of the subordinate officials and from so-called "outsiders." Since the revolution men and women have been appointed whose training was obtained in other than the professional, academic or administrative walks of life. This custom diminishes as the revolution recedes into the past but still prevails to a certain extent and has been generally successful. I am convinced that the vigour and enterprise which characterise German local government are due in no small degree to the presence of these diverse elements in the administration.

It may seem undesirable that men and women with academic or similar qualifications should be admitted directly to the higher posts. It would be useless, however, to ask already highly trained people to spend most of their time for years after entering the service on routine work. The result would simply be their exclusion from the service. German experience has shown that training in the service is not the only or always the best form of preparation for the holding of administrative positions. Three principles have indeed to be observed. A general high standard of education and training must be maintained, the greatest opportunity for promotion from within the service should be provided as is consistent with maximum efficiency, while fresh forces must be absorbed from without when this means the introduction of officers with training and experience of a kind that is not obtainable within the services, although conducive to their efficiency. The work of administration is not merely executive in the narrow sense. It is also creative, and the local authorities must have in their services men and women who can see their own particular problems within the general administrative framework and relate the latter to the questions at issue in social and political life as a whole.

Observations on the Nature of the German Civil Service

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[*Being a Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931*]

IN the following discussion I shall simply attempt to give an insight into the salient features of the German Civil Service. We can only do justice to the subject if we proceed from the situation prior to the revolution of 1918, because though since 1918 there have been further developments there was neither abolition nor complete reconstruction of the Civil Service as in other countries.

Typical and guiding for the creation and development of the German Civil Service was Prussia, not only because this State was the largest of German Federal States in contributing to the reconstruction of the German Empire, but principally because it was from the beginning organised as a State based upon and directed by officials. As the army was the instrument of the State in relation to foreign affairs, so was its staff of officials the foundation of the Prussian State in its domestic concerns. In Prussia there was realised earlier than elsewhere the idea of a public professional Civil Service, especially in the organisation of a modern system of Public Administration by King Frederick William I (1730-1740). Consciously or unconsciously he connected it with the essential principle of the Middle Ages, the feudal relationship of loyalty and service between feudal lords and feudal vassals. Therefore the absolute state of the eighteenth century required of its officials life-long and exclusive devotion of its working capacity, and unconditional loyalty towards the sovereign power. In return therefore he guaranteed personal protection and material rewards. The latter consisted in the eighteenth century naturally (corresponding to altered economic conditions) no longer in the assignment of land for exploitation, but in current monetary income, *i.e.*, a salary.

Whoever could meet these moral and allied technical requirements could enter upon a Civil Service career. This was from the very beginning in no way limited to a caste. Power of action and a genius

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for organisation meant, in this era of State construction, the attainment of the marshal's staff, which about 100 years later, every Napoleonic soldier carried in his knapsack. It naturally followed that in many cases the sons followed the profession which had been chosen by their fathers; so that a kind of Civil Service estate came into existence. Very quickly there evolved a specific professional ethos, a conception of Civil Service honour, which had a far-going influence upon the moulding and inner homogeneity of the Civil Service. We may even here speak of a kind of unwritten fundamental law of officialdom; and this was an echo of feudal relationship. This particular conception of the nature of the service in relation to the State induced, according to personal attitude, some to become officials, while others were repelled from the profession. The decisive point in the choice of the profession was, and has remained, the question whether the individual relates himself to the community more objectively or more subjectively. In the first case he will be satisfied with a certain modest material livelihood and devote himself to his public duties, in the latter he will strive to develop his own capacities as best he may for his own self.

Since the beginning of the nineteenth century one or other group joined the purely professional Civil Service as the executive factor of the public authority as organised by the enlightened absolutism of the eighteenth century. Its evolution issues from the ideas of the time when modern local government was introduced; this, in Prussia especially, had its beginnings in the reforms of Stein and Hardenberg after the defeat by Napoleon in 1806. We refer to the so-called unpaid officials ("Ehrenbeamte"). Emanating from the reform of municipal government, the idea of honorary official co-operation of elected citizens in public affairs gradually permeated the entire administration, so that to-day in almost every public service we find honorary and professional officials working together.

In spite of that the fundamental distinction between honorary and professional officials remained; the former are elected for a term of years by the competent body, for example, by the municipal council in the towns. Thus they are in certain dependence upon a specific constituency of the population, namely, their electors, and no special professional training is required from them for the honorary office in question, but it is deliberately desired, to make fruitful for public administration the practical experience of the non-professional population. The honorary officials obtain their living from their private occupation; they offer free their time to the community for honour's sake, without material reward.

On the other hand the civil servant was, and remains, primarily in a situation of dependence on and permanent relationship to the

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head of the State; in Prussia, for example, at that time to the King, as the bearer of the authority of the State.

The closest connection between professional and honorary officials developed naturally in local self-government. In the course of the nineteenth century this was ever more widely extended, and was applied—originally introduced in the towns—finally to the rural parishes, the Districts, the Provinces, and associations for special purposes. Its tendency is essentially to disburden the central authority.

As, in recent times, the forms of social and economic life became more and more complicated, the administration was confronted by new duties and problems. In their solution the Civil Service played the chief part. It was therefore always more necessary to lay emphasis upon the appropriate training and selection of these instruments.

According to the kind of executive functions civil servants were divided into the higher, the intermediate and the lower Service. And corresponding to this division different requirements were established for training and continued education. This classification, originally prescribed by the central authority for its departments, was transferred to the civil services of the local authorities, which, principally through the professional Civil Service possessing the same foundations and attitude of mind, was kept in the closest relationship with the State, quite apart from the Central authority's rights to inspect and to sanction appointments.

Of the three groups of officials we have named, the higher Service remained almost exclusively reserved to academic entrants with a completed University education. The process of education was (it is, in principle, unaltered) the following:—First, it was necessary to undergo a predominantly theoretical course of 3—4 years in a University or a technical high school. The condition for entry into the University is the matriculation certificate of a secondary school. As such, originally, the humanistic *Gymnasium* held the monopoly, and it laid the chief emphasis upon the study of the classical languages. Since 1890, the so-called *Realgymnasium* and other modern cognate types of school, came into existence, and their most important branches of study are the natural sciences, mathematics and modern languages. To-day they are statistically predominant, without, however, overwhelming the humanistic *Gymnasium*.

At the end of the University course there came the first examination, to be taken before a State examination commission. And then there followed a more practical, but, at the same time, scientific training, which once more lasted for three or four years, and at the end of which there occurred a second State examination. The fulfil-

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ment of this course of training was the absolutely indispensable condition for the exercise of a corresponding profession; for example, as a Judge, but beyond that also for the profession of Barrister, the higher Civil Service, official or free physicians, teachers at secondary schools and Universities, technical officials of the Higher Civil Service and so on.

At the basis of this education was the common idea that the State itself should carry through, and superintend the professional training, both theoretically and practically, and judge its results by its own examinations. The actual professional career as a civil servant began only after this, whether in the service of the central authority or of a local government body.

The choice of the younger generation for the career of higher civil servant was naturally limited by the fact that study and the long unpaid period of preparation presupposed the availability of a certain amount of private means for the person concerned, but it would be a mistake to think that in Germany before the war only the children of well-off families took to study; the entries to the Universities, even with the purpose of a subsequent career in the Civil Service, constantly increased. In many cases the education was achieved by the greatest self-sacrifice. Occasionally there was help through scholarships and free places, and there was an ever-fresh current of popular ability flowing into the body of the Civil Service, and yet without affecting its homogeneity.

With the successful passage of the second State examination the actual professional training came to a close. The career of the official itself, with its multifarious duties, constituted the practical continuation of the schooling for those who wished to devote themselves to the Civil Service as a profession. There were also continuation courses of a more theoretical nature, e.g., at the Universities, or through study groups, and foreign travel for study, &c.

The officials of this class were called upon to take the leading positions in the Service of the Central or Local Authorities, i.e., to take decisions, to guide and superintend their execution, and to bear the responsibility. Particularly was the greatest value attached to education towards a consciousness of responsibility, to personal impeccability, impartiality, and a decorous mentality. The disciplinary responsibility of the civil servants went exceedingly far beyond the criminal responsibility of all ordinary citizens.

Naturally the local self-governing authorities sought, almost without exception and even where the statute did not require it, for these academically trained civil servants, in order to put them at the head and other leading positions of the community, e.g., as burgomaster, as paid *stadtrat*, &c. Naturally the local authorities

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sought in the first place for such professional civil servants as had, in the course of their practical career, already acquired sympathy with the nature of local government.

We might incidentally remark that for the highest offices of State, especially that of Minister, even before 1918, such a professional training was not unconditional, even if in practice most of the people who held such offices had passed through the educational career we have indicated. It also happened, however, that industrials, bankers, and so on, were appointed Minister without having had an official's usual education.

The second group of the civil servants, the so-called intermediate, comprised, and even to-day comprises, those who carry out the current work in the departments, especially the clerical work. Certainly their activity is partly mechanical, but that lies less in the quality than in the recurrence or uniformity of their task.

Further this office work presupposes an appreciable measure of information, practical capacity, and moral impeccability, especially if it concerns the mastery of special fields of work, *e.g.*, book-keeping and accounts.

The candidates for these intermediate offices constituted two groups, the first comprised the so-called military candidates. These were persons who served in the army, who had chosen the career of regular soldier, followed by the civil office. They served twelve years in the army, were promoted into the non-commissioned officer class, and then went into the Civil Service upon the acquisition of the so-called "civil-provision-certificate." Their further education occurred in the department which accepted them, and naturally, only the most capable and intelligent of the candidates worked their way up in the intermediate offices since they only commenced with a simple elementary school education.

The adjacent group of so-called "civil candidates" for the intermediate service was relatively less numerous. It was composed of young people who devoted themselves to the Civil Service just as any other person might wish to become a business man or an agricultural worker. In the choice among the candidates the departments were not restricted. Naturally aspirants with a secondary school education were preferred even if they had not attained the matriculation certificate. With these the military candidates had to enter into competition in any further vocational training. This occurred, in the departments in which the civil servant was to be employed, in the form of theoretical and practical examinations. Promotion to higher posts depended upon these in combination with service rendered in current activity, and personal capacity, especially up to the position of the independent director of an office or, a

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division of an office. Naturally, it was difficult even for the talented military candidates to keep pace with the better academic preparation of the civilian candidates, who further came direct from their seat at school to the Service. But, as against this, the former soldier brought with him a fund of industry, punctuality, dependability and accuracy, qualities of particular value in office work.

Now we have still to discuss the third group of so-called lower officials. They were recruited predominantly from among those military candidates for whom the intermediate service was too difficult. The duties of the lower officials comprise mechanical work and simple office work as well as outdoor work; thus, for example, in the post office and railway administration the overwhelming number of the civil servants naturally consisted of the lower officials. Their military career enabled them to provide, above all, the unconditional sense of duty and a mind directed toward official activity.

This German body of officials grew in its two centuries of development into a trustworthy, incorruptible, and very efficient implement in the hands of the ruler of the State, standing side by side with the army in value and prestige. The principles of appointment for life and a right to a pension have often been criticised, and for these things officials have been scorned; and it is believed that the State would be better served with employees on the model of free private industry. This was, and is, still to-day to be denied, for German circumstances. It is precisely in the public legal character of the civil service, the mental picture of which is expressed in the oath of service, and the warrant of appointment, lay the reason for the incorruptible sense of duty and, at the same time, the inward independence of the official. This institution corresponded to a certain traditional tendency in the people itself, for, after all, the overwhelming mass of civil servants were recruited from the ordinary classes of the population.

This was the composition of the German Civil Service when the revolution of 1918 occurred.

From the first day there was revealed the inward permanent value of the old professional Civil Service. While everything else broke down, the professional Civil Service, unconcerned by the passionate political battles of the day, carried on their duty, and so helped to lighten the catastrophe of the end of the war in so far as it concerned domestic affairs. By remaining at their posts they prevented chaos. Yet there was not lacking in the programmes of the radical elements the demand that the professional Civil Service should be entirely abolished. As, however, the life of the State reconsolidated itself, the more did people recognise that the re-

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modelled form of the State, also, would build itself, with the maximum of security upon a professional Civil Service.

Therefore, the Weimar Constitution of 11th August, 1919, with which the individual constitutions of the States are in harmony, has held fast to the fundamental principle of the professional Civil Service, has placed under the protection of the Constitution the acquired rights of officials, and has retained firmly and in principle the idea of appointment for life and rights to pensions. Also, in regard to the possibility of entering into the Service, the Reich Constitution has established fundamental conditions; for example, all citizens, without distinction, are admissible into the Service according to the law, and according to their capacity and services. This means, however, nothing other than a maintenance of systematic training and technical schooling of professional officials. Just as the Constitution has given to women equal political franchise, it also affirms the possibility of the entry of women into all official situations. Women have already places in all the classes of the Service; but naturally, they are still, having regard to the figures, exceptions.

The division of business into the classes higher, intermediate, and lower, is, as in the former classification of the professional Service, still maintained by Reich, States, and local self-governing bodies. Also, the conditions which are laid down for previous education have remained fundamentally the same. Nevertheless the former rigidity of the classification has been appreciably loosened, so that one can speak of a deliberate development. It has occurred in various ways, to begin with, from within outwards. We have made easier the possibilities of promotion for individual civil servants, especially is there a much closer connection between the top groups of the intermediate services and the higher class. The superior clerical official has been given a certain right of co-operation in the tasks of direction and decision, which were formerly reserved to the groups of higher civil servants, especially trained thereto. These higher positions of intermediate officials provide, upon proven capacity, a bridge to a transfer even into the higher service. After successful transfer such officials can be employed equally with the academically trained officials, and are included in the designation of the "higher" officials. There are some limitations which the law expressly prescribes: *e.g.*, where a special judge-like quality is demanded for the incumbent of a particular office. This can only be attained after the passing of special examinations.

Institutions for the continued education of officials already in the Service, especially in the intermediate Service, are being continuously elaborated. So, for example, special courses are instituted, attendance at which is partly voluntary and partly compulsory. The

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authorities, *e.g.*, the town of Berlin, maintain administrative classes with specific curricula and systematic tuition. Successful passage through these courses is a condition for permission to take examinations, success at which makes possible further promotion.

Another altogether voluntary possibility of continued education is offered to the intermediate Civil Service in attendance at the "administrative academies," *e.g.*, in Berlin. These are educational institutions whose character as near as possibly approaches that of a High School or University. Yet regard is had to the fact that the students are already engaged in work. Successful attendance and examinations gives the official, if no right, then at least the possibility of promotion into the higher Service.

In the higher Civil Service it is left to the free discretion of the individual servant what opportunities of continued education he takes. For theoretical study there are available Universities and the High Schools of various types. Further there is a German Society for Continued Education in Political Science which regularly establishes courses of lectures by leading men in the most diverse fields of science, sightseeing tours, and travel for study.

In the lower and the middle grades, the Civil Service has only been altered in so far as that the former group of military candidates is to-day replaced by candidates who come from service in the Reichswehr or the Police, and wish to go over into the Civil Service. As these formations fall very much below the former army in strength the number of these candidates has appreciably diminished. The civilian candidates of the intermediate Service are required in almost every case to-day to produce the matriculation certificate of a higher Secondary School.

Statistically stronger, and in its effects more significant, is the alteration since 1918 in the composition of the so-called higher Civil Service, and, indeed, in all branches of the administration. This change cannot be considered as an internal development like the one we have just sketched, but as a reformation through external circumstances. It is connected with the alteration of the form of the State, in especial, the introduction of a Parliamentary system, which is practically unthinkable without political parties. Of course, the Constitution lays it down expressly that civil servants are the servants of the community and not of political parties, echoing the phrase of Frederick the Great who called himself "The first servant of the State." Yet it is clear that the leading parties of the Reich, the States and the local governing authorities must have a direct influence on the relevant offices and would try to capture the continuous conduct of affairs, as is usual in parliamentarily governed countries. The consequence of this is, that the leading positions of the higher Service

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are occupied by personalities, who very often have not risen within the professional Civil Service itself, but have come from any casual profession, and usually belong to some representative assembly. In any case, this practice, the intention of which is to produce a closer co-operation of the legislative and administrative positions has not always operated efficiently. This is due either to the lack of professional education of the individual for the relevant office, or his imperfect adaptation to the nature of the work of the public department. Therefore, in the last few years there has been a regressive development to the advantage of the technically trained professional Civil Service.

Recruitment and Training of Public Officials

By STRADTRAT DR. ALFONS RIESS

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

THE recruitment of public officials requires such securities that only persons who are suitable and meritorious, both as regards ability and character are appointed. For the appointment of an official to a position in which expert knowledge (doctors, technicians, &c.) is required proof of general as well as of expert knowledge is necessary. In Germany, within certain limits, official positions are reserved for soldiers who have completed their term of service, and have to be provided for. Apart from the case of military men, two kinds of recruitment are to be distinguished; on the one hand the appointment of persons with special preliminary training which has been acquired outside administration (*e.g.*, in private undertakings), on the other the recruitment of young people, who must be trained for their profession by the administrative authorities themselves. As to these young people only a certain measure of general education need be shown, according to the demands of the career chosen. In order that capable persons may have the opportunity of advancement, however, care must be taken, that every official who proves his ability has the chance to rise from a lower position to a higher, irrespective of his education, a principle which to a great extent has only been realised in Germany since the war.

For a number of causes public administration to-day requires trained people to an increased extent.

One of the most important is that the administration of the modern State and municipalities is regulated more and more by statute and that these administrative statutes are very complicated. In Germany this is especially true of the administration of public welfare (health and poor law) and taxes. Not only has the number of persons who are supported and provided for by public administration enormously increased, but, in accordance with present-day

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conceptions, that support has to be appropriate to the individual causes of the need for relief. Therefore the number of regulations and directions continually increases, and only he who is closely familiar with the state of affairs and is backed by a large experience can manage this work.

The administration of taxes is similarly complicated in Germany. The reason for this lies partly in the intricate structure of public administration (for we have Reich, State, and municipal taxes) in which the municipalities are entrusted with the collection of various Reich and important State taxes apart from their own, and partly in that, for financial reasons, all possible sources of taxation must be made use of.

A second reason, in addition to the number and range of the laws which have to be applied by the public authorities, is the increase in the number of persons coming into contact with the authorities. This is also a result of the economic and financial conditions, of the increase of unemployment, and of the improvement in the machinery of public welfare. A third reason closely connected with the before-mentioned circumstances is the increasing scarcity of unpaid officials. The increasing poverty of citizens does not allow of their placing their unpaid services at the disposal of the public authorities to the same extent as formerly. The workman in particular, who also demands his share in public administration, is not in a position to serve town or State without remuneration on account of possible unemployment.

Finally, the principal positions fall more and more to the party leaders, the politicians; and yet they cannot deal with the details of current public administration.

For all these reasons our large State and municipal services need trained officials. The larger a service is, the more the experts are needed in the various branches, be they lawyers, technicians or economists. This not only applies to the leading officials, but also to those of the intermediate ranks who execute the actual written work. In view of all these circumstances the development of an elaborate system of training and examination is an absolute necessity. The training must above all, ensure that the future official has a knowledge of the constitutional and administrative laws demanded by his office. It is not so much a matter of learning all the laws and regulations by heart, for these will be quickly forgotten after the examination, rather must the instruction be directed to the learning to understand the laws and regulations and to their application in accordance with the purpose of the law. The aim is high and not easily attained, and many candidates miss this goal. The reason lies less in the candidates' lack of industry and good will than in

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their lack of ability, above all in the inability to express their thoughts well in writing.

In Germany the Reich as well as the State and numerous municipalities, particularly the larger ones (especially Berlin) or associations of the smaller municipalities, have created organisations of their own for the education and examination of their official candidates, and I append the directions concerning the training and examining bodies of the town of Berlin for their subordinate officials. For the higher officials the municipalities have no special conditions. They simply draw their juridical and technical staff for the higher service from the ranks of State officials, for whose training the State is responsible. There are many private associations also for the refreshing of knowledge of civil servants (*Verwaltungsakademien, Vereinigung für Staatswissen Ichnilichn Fortbildung*).

The consequence of the fixed arrangement for the training and examination of the administrative staff is that definite careers for the various groups of officials have been evolved, and that the appointment depends upon attendance at these courses and success at the subsequent examinations. A far-reaching collaboration has been granted to the organisations and associations of officials, and this collaboration has, on the whole, proved advantageous. It is true that the requirement of a definite training and the passing of examinations have given rise to a certain exclusiveness in the official bodies and have also rendered difficult, although not impossible, promotion from the middle ranks to the higher class as far as they are filled by experts. This may be considered as one of the disadvantages of the system. On the other hand, in the allotment of the highest offices, *i.e.*, the members of the town councils, expert knowledge no longer plays such a large part, in contrast to the conditions in Germany before the war, because these positions are filled chiefly by party politicians. This system lessens the attraction of public, especially municipal, administration for eminent experts, either technical or juridical, because the position immediately above them is frequently occupied by politicians who are often not distinguished by prominent administrative capabilities.

The training and examination arrangements are different in each municipality, and, at the most, uniform only for a group of municipalities, this is a further hindrance to the penetration of experts from the outside.

It has also proved necessary to vary the training and examinations for the simpler and more difficult offices respectively.

Altogether the recruitment and training of officials is thus by no means a simple task, the present-day conditions in public administration, however, are so intricate that all these difficulties have to be

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faced and overcome. Private undertakings also, particularly large concerns, are confronted by the same difficult problems. It is simply a matter of unavoidable circumstances, which are the result of the increasing size and complexity of both public and private enterprises.

The most important questions arising in this connection are as follows:—

(1) Who is to bear the cost of the schools? In most cases the tuition fee is collected from the officials undergoing training; the town of Berlin, however, does not do this, but provides the cost of their schools from the municipal treasury.

(2) Is the progress of officials during instruction tested by means of examinations from time to time? This is generally the case. In Berlin, however, oral and written examinations take place only at the conclusion of the courses.

(3) Is the instruction to be given as incidental to the service, or on the other hand, in special courses during exemption from service? In most cases special courses lasting some months are held; in Berlin, the officials must perform their services and attend the course of instruction several times a week after office hours, during a longer period.

(4) Shall special teachers, without other office, be appointed, or shall any suitable official be employed to instruct the candidates in addition to carrying out his regular duties. Mostly a mixed system has been used; in Berlin, however, there are no teachers who are principal officials. The financial question plays a part in this matter.

ADMINISTRATIVE TRAINING COLLEGE.

SCHEME OF INSTRUCTION.

Courses of Instruction for the Administrative Staff.

Preliminary Remarks.

1. In Course I instruction should be elementary and restricted to the rudiments. No preliminary knowledge in the subject of the lectures is to be assumed on the part of the students.

Course II is self-contained; its prescribed contents should be dealt with comprehensively even if already treated in Course I.

2. The number of lectures and classes allotted to each particular section of the syllabus should be strictly adhered to. This also serves as a guide to the lecturer regarding the proportion of time to each

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topic. Contact among the lecturers giving the same lectures is desirable in order to ensure uniformity of treatment.

3. The order of the lectures need not be rigidly adhered to. Subjects in which fundamental changes may be expected during the period covered by the courses of instruction are to be placed at the end. This applies particularly to the lectures on "Public Taxation," "Budget," &c.

4. The instruction consists of theoretical lectures and practical classes (written and oral exercises). For Course I the training college district committee must arrange for three tests (under supervision) from the sections to be decided by this committee. More comprehensive written examination papers, as required in the final examinations, are not to be demanded in Course II.

The chief lessons are to be divided between theoretical lectures and practical classes. In which branches of instruction and in what manner the division is to be carried out is given in the syllabus.

The lecturers should set the Course II students home work (theoretical and practical) as a rule after every alternate two-hour lesson. The results should be handed in to the lecturers in the next practical class for perusal and correction.

The supervisor of the practical classes in Course I should proceed similarly, but it remains with him to determine the amount of written home work to be demanded from the students.

The practical classes should, if possible, be conducted by the lecturer. Where the number of students is so great as to necessitate division into several classes the same lecturer should conduct the different classes. The lecturer of Course II should, however, with the previous permission of the college district committee, be allowed the services of an assistant, either for the preliminary correction of the written work or assistance in the classes themselves. The assistants are recognised by the college district committee. It shall be left to the training college district committees to transfer the exercises or, where division has taken place, to transfer a class to some lecturer other than he who gives the lectures.

For the exercises in Course I assistants are not to be employed.

Not more than 40 students are to be admitted to the practical classes in Course I.

The students must be given instructions in the correct use of the German language and in the clear rendering of legal regulations.

Special attention should be given in the lectures to laws and regulations, specially relevant to the locality (in a wide sense), including the official instructions circulated through the Service journals.

5. Opportunity is to be offered to the students as far as possible during the course of instruction, but outside of the lectures and classes,

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to become acquainted with municipal establishments and works. The training college district committees are recommended to render possible and facilitate the visiting of such institutions.

SYLLABUS

Course I

Subject	Lectures (2 hours each)	Practical classes (2 hours each)	Re- marks
1. General survey of municipal activities	2	—	
2. Office organisation and procedure...	1	4	
3. Constitutional and administrative law	6	4	
4. Local Government law	4	4	
5. The civil code	—	12	
6. Constitution of Law Courts and Civil Procedure	—	8	
7. Industrial Law and law relating to officials	6	6	
8. Social legislation	5	4	
9. Social welfare administration	5	4	
10. Public taxation	4	8	
11. Budget: book-keeping and accounts	4	8	
12. Examination papers	3	—	
Course II			
1. General survey of municipal activities	2	—	
2. Introduction to statistics	2	—	
3. State (political) and administrative law	7	5	
4. Local Government law	7	5	
5. Civil code and commercial law	15	15	
6. Constitution of Law Courts and legal procedure	5	10	
7. Industrial law and law relating to officials	2	3	
8. Housing	4	4	
9. Building and housing schemes	6	4	
10. Social welfare and administration	2	4	
11. Public health	6	4	
12. Social legislation	4	8	
13. Education	8	12	
14. Public taxation	6	—	
15. Budget: book-keeping and accounts	—	—	

Civil law and law court procedure are treated together for the practical classes.

Annual Reports on Efficiency and Qualification for Promotion

By A. J. WALDEGRAVE, I.S.O., M.B.E.

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

THE difficulty for the head of a Department of knowing the qualifications and the degree of efficiency of the members of his staff naturally increases with the size of the Department; and in the case of a big Department, divided into more or less self-contained branches, and perhaps scattered geographically, it is inevitable that the knowledge shall in most cases be obtained by means of reports from intermediate officers. The personal touch which exists in a small organisation being lost, it is necessary to replace it by some sort of indirect contact; and even where the junior comes occasionally into direct touch with his Chief it is desirable that the impression he makes shall be supplemented, and perhaps corrected, by the more intimate knowledge of him which his immediate supervisors possess.

In a number of Government Departments, but by no means in all, steps had been taken before the War to devise machinery for dealing with this problem in a systematic way, and a considerable amount of experience had been gained. It was not however until the formation of the National Whitley Council that the problem received attention of a focussed kind. The question was taken up by that Council as an aspect of the problem of promotion (though obviously it has equally a bearing on other aspects of the problem of securing the highest efficiency of a Department), and in 1921 a report on the subject was issued by a committee of the Council. One of the recommendations of the committee was that there should be annual reports in which the qualities of officers should be systematically appraised. The procedure recommended was adopted, and the system of annual appraisal is now an established feature of the Service. In every Department the heads of Sub-Departments and branches find themselves called upon once a year to consider the

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qualities of their subordinates and to report upon them by means of a form drawn as follows:—

(1)	Degree of Qualification (2)	Remarks (3)
1. Knowledge:— (a) of Branch (b) of Department 2. Personality and force of character 3. Judgment 4. Power of taking responsibility 5. Initiative 6. Accuracy 7. Address and Tact 8. Power of supervising Staff 9. Zeal 10. Official conduct		
General Remarks (including note of any specific qualifications not included above)		
Degree of qualification for promotion to next grade		

In column 2 the reporting officer enters the letter A, B or C, indicating Above average, Average, or Below average. The "degree of qualification for promotion to next grade" is similarly indicated, A meaning that the officer is considered to be eminently fitted for special and early promotion, B that he is regarded as fitted for promotion but not for exceptional promotion, and C that he is not considered fit for promotion at present. If A or C marking is given, the reasons for giving it are to be stated.

Without having been present at the meetings of the Committee which produced this form of annual report, one can see that it represents a compromise between two extreme views on the subject of appraisement. On the one side there would be the view that it is impossible by any sort of systematic analysis to obtain a basis for the comparison of one man with another. The supporters of this view would maintain that a man must be looked at concretely and not analytically; that, as soon as you begin to divide him up into separate qualities, his essential self—his personality—disappears. The thing that matters, they would say, eludes any attempt to resolve it into its component parts. Passing to analogies, they would contend that it is like trying to determine food values by chemical analysis

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where the all-important vitamins are too subtle to disclose themselves to the tests employed. Or it is like, they would say, looking for the beauty of a picture with a microscope.

On the other side would be those who hold that this view opens the door to favouritism, prejudice and caprice; that without systematic appraisement a man's chance of promotion turns on the luck of being in the limelight; and that it is possible, by a system of allotting marks to the respective qualities required for the post under consideration, to select the best man with unerring accuracy. Once the qualities had been set out with due elaboration, and their relative values had been discriminated by differences in the maximum number of marks which might be awarded under each heading, the appraisement would be simple and automatic: the officer who obtained 84 per cent. of the marks would clearly be superior to the one who obtained only 83 per cent.

The system which was recommended by the Whitley Committee and adopted in the Departments takes a position between these two extremes. It requires the reporting officer to consider separate qualities and to make a graded award in respect of each of them: it further requires him to look at each officer concretely and to place him in one of three grades when so considered. But it does not provide for the awarding of marks; while it does provide for the free expression of observations and the giving of reasons for the recommendations made.

It should be of interest, now that the system has been in operation eight years or so, to consider how it works in practice—whether in the main the machinery introduced by the Committee has proved satisfactory; whether experience has indicated directions in which it might be improved; or whether, perhaps, without altering the machinery, the method of operating it might in some respects become more skilful and be productive of better results.

My own opinion is that the introduction of the system has been amply justified, and that it constitutes one of the outstanding successes of Whitley procedure. The annual reports have compelled supervising officers to give systematic and deliberate consideration to the character and characteristics of the men and women under their charge, and have done much to ensure the selection of officers for higher posts for reasons which, if not always giving universal satisfaction, are recognised by the staff to be the result of the careful attention to information regularly and conscientiously furnished.

Consideration of the question whether the information given could usefully be amplified by an amendment of the form of report leads one to the conclusion that there is not much wrong with the form as it stands. In one or two directions there might perhaps be a finer

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discrimination of qualities. Under "Initiative" the distinction might be marked between the intellectual initiative of the penetrating and inventive mind and the initiative of the energetic and adventurous temperament: they are two different qualities, both highly valuable in the official realm, but not always found in combination. Or it might be better to introduce the additional heading of "Mental Power." In some way there should certainly be an opportunity of indicating whether an officer has brains of outstanding quality. Similarly, provision should be made for indicating the quality of "Adaptability."

Again, the attempt to distinguish three degrees of virtue under the heading of "Official Conduct" breaks down in practice: a man's conduct is either irreproachable or it is not. There might be advantage in combining "Zeal" with "Official Conduct." In general, however, the analysis of qualities serves its purpose in giving a fair picture of the kind of officer who is being reported upon and in ensuring that the character and capacity of both himself and his colleagues shall have been surveyed with thoroughness and consistency. An intelligent use of the "Remarks" column enables the reporting officer to introduce a certain amount of light and shade into the portrait.

The one feature in which the form of report could definitely be improved is in respect of the number of categories provided for the purpose of indicating the degree of qualification for promotion to the next grade. In an ideal world the number of vacancies in a higher grade would coincide with the number of officers on the lower grade, of ripe but not over-ripe seniority, who could be certified as fit to fill them. But alas! in practice the number of vacancies usually falls short of the number of candidates, and it becomes necessary to make a selection in which the regard paid to degree of qualification for promotion shall pass beyond the simple classification of Not Qualified, Qualified, and Exceptionally Qualified. The task of a Promotion Board then becomes, one imagines, very like that of the selectors of a cricket Test Team. The selection of the first three or four players may be easy enough—a Hobbs selects himself—but when these obvious selections have been made the task becomes progressively difficult. It must be remarked moreover that even the simplification which arises from the unquestioned prominence of the few would disappear if the selectors had to rely on reports from county captains who had not adopted a uniform standard of judgment, nor entirely divested themselves of partisanship, conscious or unconscious.

The entry of the factor of relativity into the consideration of the degree of qualification for promotion makes it desirable that there should be at least four categories recognised instead of the present

three; and in practice this necessity tends to find expression by the use of the "Remarks" column for entries such as "Almost an A," "Very good B," and so on. It would make for clarification if a fourth dimension were definitely recognised by the use of the additional symbol "B+."

There might indeed be advantage in having a fifth category, "B-," to distinguish from the hopelessly unfit C class those who fall short of fitness for promotion by reason solely of inexperience, or because of a defect which can be remedied if attention is given to it. This raises the question whether it is desirable to communicate to an officer the fact that he has received a low marking. No hard-and-fast rule should I think be laid down on this point: in some cases the knowledge of an adverse report will discourage a diffident and conscientious man, while in other cases it will act as a spur to the careless or indolent man who is not doing his best. The matter should be left to the discretion of the supervising officer. Whether he decides to communicate the marking to his subordinate or not, he should endeavour to discover the cause of the unfavourable report, and should ask himself whether it may not be due to unsuitable handling of the officer, whether he might not do better on other work, whether he could be helped by advice or warning; and so on. The Department should face any responsibility it has itself for failure on the part of its staff.

Whatever the indications employed, and whether they be more or fewer, it is of vital importance that they should be used with the same significance by the various reporting officers. And to this end it is advisable that the heads of branches should be informed of the sense in which their markings will be understood. Otherwise there is bound to be ambiguity about what is meant by "qualified for exceptional promotion"; the man who displays promise of the highest qualities but is relatively inexperienced will be confused with the man who is a valuable specialist but of relatively deficient general ability, and this type again will be confused with that of the officer of no special ability but of long experience and outstanding character. Then, too, there is the type of man who cannot be described as brilliant but who is of such good all-round ability that he ought to be distinguished from colleagues who are barely qualified for promotion. Steps should be taken to ensure that reporting officers make distinctions between the different types in their own minds and express them as far as possible in the same language.

Let us assume that it is desired to use the A and B+ marking and to ensure that they are used with the same significance by the heads of different branches. The instructions would vary accordingly to the class of officer concerned and the kind of work which would

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follow promotion. In the case of Executive Officers who are being considered for promotion to the rank of Higher Executive the instruction would run something like this:—

"A" marking should be confined to men of wholly exceptional calibre and ability whom it would be right and proper to advance over a number of good men who will ultimately get promotion. To justify this marking, a man must have shown quite definite promise of fitness in the future to occupy the highest posts in the Department. If a reporting officer has no doubt as to a man possessing these outstanding qualifications, but is of opinion that he is not quite ripe for immediately passing over a number of B + men he should nevertheless mark him A and note the report to that effect. The class "A" is not likely to be large, and unless a man has shown that he possesses abilities of this order while he is still young he is not likely to develop them afterwards, and the passage from B + to A marking would indicate rather that he has been wrongly assessed in one class or the other.

"B + " marking should be reserved for men of above average brains who possess qualities of character, personality or intellect which take them definitely out of the main B class and fit them for directive work. To justify B + marking the head of the Branch should be reasonably certain that the officer has the ability to deal with the most difficult individual work falling to the Higher Executive grade anywhere in the Department as well as to take charge of a section of men. Officers receiving this marking should show potentiality for advancing to the rank above Higher Executive.

In the case of Clerical Officers who are being considered for promotion to the rank of Higher Clerical Officer the instructions would be somewhat different. In this case the outstanding quality generally required is that of supervision and leadership, and emphasis would be placed on this. Accordingly there would be similar remarks about the wholly exceptional character of the "A" marking, supplemented by directions of the following character:—

To justify "A" marking a reporting officer should feel no doubt that the officer possesses (a) *wholly exceptional* qualities of leadership in respect of initiative, the capacity to organise and the ability to train and supervise staff, and (b) intellectual ability well above the average of the class and of such an order as to leave in the reporting officers' mind no doubt as to his capacity to deal in due course with the most difficult individual work allotted to the Higher Clerical grade anywhere in the Department.

"B + " marking should be given to men who, the reporting officer feels no doubt, possess (a) *wholly exceptional* qualities of leadership in respect of initiative, the capacity to organise and the

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ability to train and supervise staff, and (b) intellectual ability up to the average of the class and of such an order as to leave no doubt as to the officer's capacity to deal adequately in due course with the individual work on an average Higher Clerical duty in the Department.

These examples of the kind of guidance which should be given. When all has been done, however, by written instructions to secure that reporting officers shall adopt the same standard of appraisal and the same method of marking, it is to be feared that differences will continue; and there would be serious danger of injustice if Promotion Boards proceeded on the assumption that the symbols of one reporting officer could be taken as meaning exactly the same as those of another. It will still be necessary to make allowance for differences of temperament and of degree of critical faculty on the part of reporting officers and to pursue investigations into particular cases. Something can be done to develop uniformity of standard by pursuing these investigations with the reporting officers assembled together. Geographical conditions will make this difficult in the case of a large scattered Department, but an occasional meeting of the heads of branches of a centralised Department, even though it is a large one, can be arranged. At such a meeting the discussion of the comparative qualifications of the officers within the orbit of candidature for promotion, where each is probably known to the heads of other branches than the one in which he is actually serving at the moment, will help not only to clear up the immediate problem but to form a common standard which will be applied on the next occasion of furnishing the annual reports. If two people, one knowing X and the other knowing Y, proceed to compare them with Z, whom they both know, they will discover something, not only about X and Y, but about their own standards of judgment.

The utility of this joint consideration is not diminished by adoption of the sound principle that every officer should be subject to the independent appraisal of at least two supervising officers, and that if this position does not arise naturally, through normal changes in the personnel of branches, a special transfer should be arranged before a critical situation develops.

One element of confusion which can be removed is that which sometimes arises from an attempt by reporting officers to introduce into their appraisal due weight for the respective factors of seniority and merit. That both these factors enter into the question of promotion goes without saying; but the weight to be given to the one or the other varies from class to class and from time to time. Circumstances may call for special regard being paid to one or the other. It is well that the reporting officers should understand that

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responsibility for forming a judgment on these circumstances rests not with themselves but with those to whom they are reporting, and that the responsibility may be passed on without apprehension. Hesitation on this point is apt to make for obscurity and confusion.

With the development of an efficient technique in applying the system, the method of appraisal recommended by the Whitley Committee of 1921 may confidently be expected to give very substantial assistance in carrying into effect the principle which that Committee recognised as the dominating consideration to be kept in view in all promotions, viz., advancement of the efficiency of the public service. And it is to be hoped that in the process of rendering the Annual Reports, supervising officers will come more and more to regard them not only as a piece of machinery for selecting men for promotion, but as an opportunity and occasion for giving attention to the capabilities of the officers under their charge in relation to the work which they are doing and to the work which they might do. The element of truth which lies in the objection to any systematic appraisal of human quality, as being an attempt to apply mechanical measurements to a vital something which must transcend them, should receive recognition in the evidence of a mechanical application of the reports and in an endeavour to consider whether, within the conditions imposed by the Service, difficult and unaccommodating as these may be, the individual is receiving the opportunity of doing his best and of getting as near as possible to the happiness and efficiency which come from doing the job for which one is fitted.

Character Assessment in State Service

By B. W. WALKER WATSON

[*Being the Winning Essay in the Haldane Essay Competition, 1930-1931*]

"WE want power to drive the ponderous State," wrote Emerson. Again, "There is no end to the sufficiency of character. It can afford to wait; it can do without what is called success; it cannot but succeed." But the State cannot afford to let the man of character wait. In its own interest it must needs track him down and elevate him, not indeed for his special good, but for the good of all. Paradoxically, the State is impersonal, yet it must ever be urgently seeking a person, one who shall best express that impersonality.

In the past there have been great civil servants, although the State held no organised search to establish them. But that was in the days when the crowd was small and the individual apparent. As the century turned, the crowd was becoming a "horde of Government officials" with the individual more and more indistinguishable from the mass, and elementary methods of selection were seen to be failing. The impasse was reached when, after the War, vast numbers of ex-Service men were retained by the State in civil employment, and in the absence of any organised system of personal valuation the problem of character assessment promised to become insoluble. Thus it came about that the first real attempt was made to analyse, tabulate and evaluate the various qualities which were thought to indicate the measure of fitness to serve the State.

On the 31st of March, 1922, the National Whitley Council for the Civil Service approved a standard form of character report which was to act as a guide to the Departments in determining eligibility for promotion. It is the purpose of this paper to review this instrument in the light of experience, to disclose its serious inadequacy to achieve the end in view and to offer a more efficient alternative. The official destiny of very many thousands depends entirely upon the manner in which the promotion system is conceived and operated, whilst the State is equally interested in seeing that all the vital points in its machinery are furnished with the efficient power which is character.

On what principles should such a system be grounded? Should we invoke the aid of Mr. Bernard Shaw's psychometrist, or the psychologist, or the literary examiner, or our own higher officials?

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Mr. Shaw's ideas on the detection of a man's abilities are characteristically expressed in the preface to "The Apple Cart." "What I am waiting for is the discovery of a process by which on delivery of a drop of his blood or a lock of his hair we can ascertain what is right with him mentally. We could then have a graded series of panels of capable persons for all employments, public or private, and not allow any person to undertake the employment of governing us unless he or she were on the appropriate panel." On the other hand and in the meantime the psychologist needs the whole person as material for the test of mental and physical reactions, but at present he finds more credence and scope in the land of quick fortunes and financial crashes than in this more sceptical country. Putting these aside as at least premature, there is something to be said for holding literary and oral examinations for promotion purposes, but not very much. To middle-aged men and women examinations are an incubus on private life, and in those few Departments where they still survive they are commonly regarded as an anachronism and at best a poor substitute for a scientific analysis of character. The usual sprinkling of what may be euphemistically termed surprise results certainly seems to support this view.

We are left then with the original proposition adopted by the National Council, that superior officials shall report according to their observation and wisdom on the individual members of the staff, using as a basis the various qualities supposedly possessed by the ideal civil servant. But of course there is no ideal civil servant. Every different kind of position in the Service postulates its own ideal. There is not one ideal but three thousand ideals, and the best that can be attempted is to seek the least common multiple of all the desirable qualities for which they stand. These will be so numerous that it will be necessary to reduce them to practicable proportions by grouping them into, say, ten headings. Having thus developed our multiple ideal after the manner of a composite photograph we may possibly be met with the objection that a being approximating to the better class of archangel is indicated. The correct reply is: Exactly; the British Public expects it, and moreover the British Public needs it!

At this stage, where any such scheme is very likely to go astray, as indeed the official scheme has gone astray, it is useful to lay down a few desiderata as to the grouping of the desirable qualities and also as to the method of allotting degrees of merit under the respective groups or headings. No scheme which fails to answer more or less satisfactorily to these tests should be allowed to act as an arbiter of the official fortunes of any civil or local government servants, since the tests are the outcome of experience and not of hypothesis:—

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1. No vital factor should be excluded by the headings.
2. The headings should be precise and self-explanatory.
3. The headings should be of equal value.
4. The method of marking the degrees of merit should permit a wide range of final results, so that the officials reported upon are automatically well graded.
5. It should therefore be possible at a glance to compare any one official with any other.
6. The method of marking must be of sufficient sureness to give confidence in the results; *e.g.*, the best official on paper should be the best official in fact.

With these essential points in mind it is now possible to examine the model Report on Members of the Staff, as adopted and recommended by the National Council in 1922. The ideal civil servant is visualised as possessing eleven principal qualities, and the method of marking is to allot to each quality the letters A, B or C, implying "above average," "average" or "below average of the grade." The qualities listed on the report form are as follow:—

Knowledge of Branch.	Initiative.
Knowledge of Department.	Accuracy.
Personality and Force of Character.	Address and Tact.
Judgment.	Power of supervising Staff.
Power of taking Responsibility.	Zeal.
	Official Conduct.

How far the scheme is just and efficient can now be made obvious by applying to it the six conditions already enumerated.

1. It is at once clear that the framers of the scheme have visualised a very incomplete ideal. About half the man is ignored, no direct consideration being given to quite a number of really important qualities. The omissions include such vital factors as: health, energy, appearance, intelligence, speed in working, general culture, power of self-expression, courage, organising ability and execution. So pertinent are these discarded qualities that in all probability a rival scheme based on them alone would select better eligibles than those the official scheme has been producing for the past eight or nine years. This is a very disconcerting indictment, and one which must weaken any confidence the rank and file may have in the present promotion procedure. The conclusion cannot be resisted that the system measures only half the character and that such half-measures are good neither for Staff nor State.

2. There is good reason to believe that some at least of the headings have been variously interpreted, and in view of this probability it is strange that no explanatory definitions have been issued. For example, the term "personality" may be considered from the point of view of quality or of quantity; again, a member of the staff

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may genuinely seem a *persona grata* to one Reporting Officer and a *persona ingrata* to another; and still again, it is one of the commonest errors to associate the term with individuality, which is a distinct and less superficial quality. What, also, is to be understood by "force of character"? The bully who dominates his colleagues until he meets one who is aware of the underlying weakness of the type may be favourably judged on his apparent strength, whereas the reserved man of strong character may easily be underestimated. Another doubtful heading is "initiative," which may be merely active originality such as any exuberant youth may display or, alternatively, an active originality born of knowledge and reflection. A character chart should surely exhibit something of the definiteness of a formula and nothing of the ambiguity of a commercialised crossword.

3. Some of the headings are of unequal significance, although the scale of marking is the same throughout. The "official conduct" of the vast majority of civil servants is normally so good that its presence might almost be taken for granted, yet it is placed on a marking level with "initiative," which in its intelligent form is rare by comparison and therefore more to be sought. "Zeal" and "judgment" are in similar disparity, as also are "accuracy" and "power of supervising staff." The general effect is to unbalance the scheme by setting up different average levels for the various items, and whilst it is admittedly difficult to choose headings which shall present an intrinsic equality it should be possible to approach that standard by careful grouping or pairing of qualities.

4. The marking system is very elementary and lacks precision. Firstly, there is no indication how far A is intended to be above, or C below, the average B. Each Reporting Officer is left to make his own standard, with the result that there are as many marking standards as Reporting Officers. An improving individual may thus actually receive fewer A's than previously if he acquires a new chief. Secondly, assuming that B is the average or mean of A and C a representative staff will be allotted altogether as many A's as C's. This is obviously a mathematical necessity and if it is not realised the marking is badly done. In practice the marking is badly done, for the very human reason that Reporting Officers are reluctant to allot a C, which must be confirmed by a supplementary report. The effect is that C's are almost never given, and the scheme is still further unbalanced. Thirdly, the number of A's given to an individual rarely exceeds four. It is usually 4, 3, 2, 1 or 0, the rest of the marking consisting of B's. In the end, therefore, only five different results emerge, so that these Reports on Members of the Staff do no better than arrange the many thousands of officials into five orders of merit! Surely so complicated a piece of machinery should produce at least ten times this range of results.

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5. Even if the letters A, B and C were conscientiously allotted according to the intention of the scheme there would still remain the problem of comparing certain final results with others. To put the case algebraically, how shall one choose, for instance, between 3A plus 6B plus 2C, and 2A plus 8B plus C; or between the latter and A plus 10B? Promotion Boards ought not to be set sums like these.

6. It is not an uncommon experience to find that these reports do not always disclose a relative order of merit which common sense can approve. The best official on paper may not be the best official in fact. There seems to be only one way of completing these forms equitably, and that is, to arrange the members of the staff in a preliminary order of merit to the best of one's knowledge and belief, and then to fill up the forms to match. Only in this manner can a conscientious chief make the means justify the proper end. But in that event why use the forms?

Professor Graham Wallas once began a lecture on the Civil Service by remarking that the world is governed by pieces of paper. Perhaps the world has latterly been misgoverned by its pieces of paper, and it would seem that the smaller world of the Civil Service is capable of improvement in this respect. But without seeking further flaws is there anything to be said in favour of a character inquiry which assesses only half the character, employs ambiguous terminology, accounts unequal qualities as of equal value, has such a narrow range that it classifies officials into barely more than five different orders of merit, arrives at results which are not easy to compare and inspires little confidence into its findings?

There is one commendable feature to be set off against these shortcomings. The scheme is a pioneer instrument of sound fundamental principle, the principle of charting the character components of the hundred per cent. official as a standard against which the merits of the staff shall be appraised. The instrument, it is true, has been built up from badly-chosen component parts, it is difficult to operate and it fails to accomplish its purpose. But there is no reason why it should not be dismantled and satisfactorily reconstructed, provided the underlying principle is retained.

As illustrating how the reconstruction might be effected an alternative scheme has been prepared, and a brief examination will reveal how far it fulfils the six essential conditions laid down earlier in this paper. The difficulties are admittedly great at the very outset. To analyse the complete character into its principal constituents and to label them self-explanatorily would no doubt tax the wits of a Royal Commission of Philosophers. Did not Plato declare, "He shall be as a god to me who can rightly divide and define"? Perfection is therefore not to be claimed for this scheme, which has been framed

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rather as an example and as a basis for consideration. But it may at any rate be justifiably suggested that on range of results alone the scheme possesses about ten times the merit of the official model.

In outline it is simple. The character components have been made as comprehensive and inclusive as possible by coupling the most likely ones in ten complementary pairs; each pair of qualities is to be allotted marks up to a maximum of ten; and a supplementary report is to accompany every completed analysis which shows a total of more than 75 or less than 25 marks. These dual headings will be seen to explain themselves, but a few comments will not be out of place.

Appearance and Manner.	Departmental Experience and Knowledge.
Health and Energy.	Output and Quality of Work.
Zeal and Conduct.	Judgment and Courage.
Intelligence and Initiative.	Organisation and Execution.
General Culture and Self-expression.	Control and Supervision.

Appearance and Manner. Civil servants represent so many extensions of the Royal personality and authority, and as such may be expected not to belie their status in matters of personal appearance, address and tactful communication. The two qualities do not necessarily consort in the same individual. The exponent of a pseudo-Oxford accent and diplomatic style of approach may periodically appear somewhat hirsute, or wear outrageously yellow boots, or secure his office jacket with an excessive allowance of red tape. On the other hand, the reflection of a Bond Street mannequin may deliver himself in speech-tones reminiscent of an old-time silver-ring bookmaker. A story is told by Spence which is evidence of the proverbial deceptiveness of appearances. Kneller was entertaining Pope, when his nephew, a Guinea trader, came in. "Nephew," said Sir Godfrey, "You have the honour of seeing the two greatest men in the world." "I don't know how great men you may be," said the Guinea man, "but I don't like your looks. I have often bought a man much better than both of you, all muscles and bone, for ten guineas."

Health and Energy. For reasons unknown these important factors do not appear in the official scheme, but it is certainly in the public interest that they should be included. Retirement on the ground of ill-health can be a serious charge on the Exchequer, whilst the indifferent performance of duties prior to the breakdown may react unfavourably upon the reputation of the Department concerned. A clean health record might therefore be deemed a valuable asset, yet it must not be overlooked that if such a record has been obtained at the expense of vitality, the ability to stand the strain of emergency work is dangerously reduced. In contrast to the man who holds no

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reserve of energy, there is the enthusiast, often brilliant, who pours all his vitality into his work with the utmost zest and gusto until he is a spent force, physically and mentally exhausted. After a few weeks in the care of a physician he replenishes his fund of energy and is able to return to his duties and speed round the vicious circle again. These not uncommon instances show the interdependence of the two factors and the desirability of setting off a low marking for the weaker factor against a high marking for the stronger. It may be objected that the recognition of the health record for assessment purposes would make the staff reluctant to absent themselves for sickness, but the contention is surely met by the reasonable assumption that anyone rightly impressed with the value of good health on official grounds would take steps to guard and improve his well-being. Our ideal civil servant would undoubtedly do so.

Zeal and Conduct. In the model scheme these factors were together given one-fifth of the total maximum valuation. But Government servants are generally zealous and well-behaved, and there must be many staffs of whom the majority of the members deserve an excellent assessment for these qualities. Seeing also that the effect of zeal and conduct is necessarily reflected in the rest of the character the maximum allowance is clearly excessive, and one-tenth should be ample. The terms need no definition, but it has been knowingly averred that there are those who believe the whole art of zeal to consist of seeming uncommonly occupied during periods of immediate supervision, and that of conduct in producing unimpeachable reasons for late arrival or in avoiding contact with higher officials soon after lunch.

Intelligence and Initiative. The initiative which rushes in where angels fear to tread, is futile, sometimes dangerous and always unintelligent. The Don Quixote of the Service, who jauntily sets forth promotion-hunting and incidentally arouses the resentment of colleagues and subordinates by his unthinking and disturbing activities, must therefore be assessed for what he is. But there is also the quite intelligent type which chooses to carry on an obsolete order and practice of things and is never moved to put out an initiating finger against them. This attitude, whether due to disillusion, cynicism or some form of fear, should also be given its just reward.

General Culture and Self-expression. It is curious that culture is omitted from the official scheme. Possibly it is because a satisfactory definition of "a cultured man" is hard to come by, although culture shines with its own light. *The Efficiency Magazine* of December last made a praiseworthy attempt which will perhaps serve as well as any other. "A cultured man is one who has control of his thoughts, who appreciates the things that are true, sincere and beautiful, and

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who has a wide knowledge of what has been done in the world of Art, Literature, Science and Civilisation. But he appreciates the wonder of a motor car or a wireless set or the Carreras factory as much as he appreciates a sonnet or a Beethoven symphony." Our ideal civil servant will be all this and more, if physical and mental games are added to make the all-round man. Henry Ford has recently told us how Edison, being interested in everything, dislikes the single-track mind, and that at the age of eighty years this creator of whole industries is still reading and inventing. The point for our purpose is that his general culture and self-expression are both highly developed, yet the one would be ineffective without the other. In the Civil Service self-expression takes the verbal form of interviewing, attendance on committees or speech communication generally, and the literary form of correspondence, reports or drafting instructions. To assist the assessors members of the staff should be invited to submit lists of attainments and extra-official qualifications, which would provide a clue to their culture and power of self-expression. The official scheme, of course, does this.

Departmental Experience and Knowledge. Seniority naturally weighs heavily under this heading, and more heavily still if full advantage has been taken to absorb the benefits of experience, whether in the present or in a previous Department. Here again lists of Departments and Branches should continue to be furnished, preferably including brief descriptions of the duties performed.

Output and Quality of Work. A man may be accurate but slow, or speedy but unreliable, and this dual heading becomes very necessary if his work is to be justly appraised. The official scheme considers only accuracy.

Judgment and Courage. Judgment without courage means non-committalism or inability to issue decisions; courage without judgment is mere irresponsibility; but judgment with courage is the sound heart of character. Unfortunately the Service atmosphere tends to sap the courage of conviction. Those who have it not discourage it in those who have, and this attitude breeds a policy of "safety first" which easily degenerates into undue cautiousness, then into nervousness and finally into a blind acceptance of precedent. To exalt courageous judgment as a desirable feature in Departmental life would be to drive a breath of tonic air down the corridors and into the pigeon-holes of the Service. This heading therefore needs no apology.

Organisation and Execution. These are factors whose operations can be observed in the lowest as in the highest ranks according to degree. Indeed, their effects cannot be hidden, for a glance at a desk will often suffice to reveal the occupant. The faculty of organisation is often thought to be a gift of nature, but it is really a mental habit which can be cultivated like any other, beginning in small matters

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and evolving in bigger ones. A man may be incapable of organising half a dozen paper fasteners, and must let them lose themselves just before they are urgently wanted; another may be able to organise anything from paper fasteners to the national food supply. It is all a question of atrophy or usage. But it is as well to remember the sad case of the schoolmaster who arranged a wonderful library of note books and failed to put any notes into them. The plan of a universal compendium was duly conceived but execution was completely inhibited. Michael Angelo summed up the relation between these two qualities once and for all when he called "him alone an artist whose hands can execute what his mind has conceived."

Control and Supervision. These factors are by no means synonymous. Control is the essence of leadership and at its best commands obedience through respect and admiration; supervision implies a detailed knowledge of the work done by subordinates. The one ensures that work is done, the other that it is properly done. The one is strength of character (a deeper thing than personality), the other is expertness. The Civil Service is neither a military force nor an aimless crowd, and does not require dragooning or policing. The more enlightened form of discipline which is self-discipline is rapidly developing its own tradition under the influence of the post-war Whitley spirit. Personal efficiency and a feeling of personal liberty are likely to be in fullest combination where the application of Whitleyism is most advanced, and this result will have followed the creation of an atmosphere much more irresistible than rules and penalties. In that atmosphere the new chief must be a true leader, and, as Walter Savage Landor puts it, "have that intellect which puts into motion the intellect of others."

The most irreproachable choice of character ingredients can be endangered by an ill-devised method of allotting marks, such as the alphabetical scale at present in use. In other spheres an arithmetical valuation is found entirely satisfactory: the golfer is a plus 3 man, the batsman has an average of 84.33, the bowler 18.72. Why should not the civil servant be a 63 or a 74 man in his own grade? He enters the Service by virtue of a certain percentage of marks allotted in a written examination, and it is not at all illogical to suggest that the same principle is good enough for subsequent character examinations.

The proposal is, then, that the ten headings should be given marks up to a maximum of ten each, making a possible Efficiency Figure of one hundred and indicating that the ideal civil servant is a one hundred per cent. man. A few experimental assessments on these lines seem to show that the arithmetical scale is at least as easy to apply as the alphabetical and that it is undoubtedly more interesting. In order to fix a common standard, and also to assist those who prefer to think in words rather than in figures, a table of verbal equivalents has been drawn up:—

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Exceptional 10		Fair 4
Excellent 9	Average of	Indifferent 3
Very good 8	Grade 85.	Poor 2
Good 7		Very poor 1
Satisfactory 6		Bad 0

The resultant total is an Efficiency Figure which represents the relation an official bears to the ideal member of his grade. If it is at least 60 he qualifies for promotion. If it is more than 75, or less than 25, a supplementary report should be made in confirmation of the assessment. The latter provision, that the Reporting Officer must give in writing an explanation of the faith that is in him for any unusually high or low marking, acts to some extent as a deterrent against favouritism or victimisation.

One incidental advantage is that a complete character can be described, if required, in terms of the above table according to the average marks per heading. Thus a "68" man has an average of nearly 7 per heading, indicating a "good" character. A "60" man would qualify for promotion as "satisfactory," and the psychological effect of placing this term just above "average of grade" can easily be appreciated.

It now remains to compare this reconstructed scheme with the original on the basis of the six essential conditions laid down earlier. (1) The character analysis considers the whole man instead of half the man. (2) By reason of the dual nature of the headings the terms are more self-explanatory and less liable to varied interpretation by different Reporting Officers. (3) The qualities are paired in a manner designed to equalise the intrinsic importance of the headings. (4) There are possible at least 50 different Efficiency Figures as against 5. (5) An Efficiency Figure can be compared on sight with any other; the present system does not always permit this. (6) More confidence can be placed in the assessments.

Such, then, is the kind of scheme which is suggested as an alternative to the official model. For reasons connected with inter-departmental promotions it is highly desirable that the scheme should be of universal application and not open to variation by any of the Departments, except perhaps in the matter of the appointment of Reporting Officers.

No excuse is needed for stressing the gravity of the subject. In "The People of England" it is well observed that "the greater part of national life resembles the unconscious life of an individual," and of no function is this truer than of administration. All the more necessary is it, therefore, to ensure that this function shall be performed under conscious direction of the finest quality available. There has been no more difficult problem facing the National Council than that of framing an adequate promotion procedure, yet there is none whose solution promises such sure returns in ultimate efficiency.

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Nine years ago the National Whitley Council for the Civil Service set its seal upon a promotion system which, with variations in certain Departments, has since continued in operation. That system has in many respects been found wanting. May it not be hoped, and even expected, that by the tenth year the Council will have revised this very significant document and have evolved a more permanent instrument which shall indeed generate "the power to drive the ponderous State"? Its full significance can only be realised by remembering that its example is endowed with centrifugal as well as centripetal force, for if it reaches inwards to our own centres of Local Government it also flies outwards as far as the ends of the Empire.

Note

By Sir STANLEY LEATHES, K.C.B.

I asked permission to write a note on this paper, and that permission was kindly accorded by the Editor. My object in making that request was not that I might have the pleasure of recording in words the satisfaction already signified by the award. My colleague, Sir Frederick Willis, I am sure, will wish me to state that he entirely concurred in the award. In fact, I believe he made the suggestion first, and it was I who concurred.

However, after reading the essay again I must take the opportunity of saying that I trust that the suggestions made therein will receive the most careful attention of the authorities. I consider the analysis masterly, and I specially applaud the pairing of qualities which balance, correct, and complete each other.

I have only one comment to make. Analysis in the estimation of character is no doubt necessary, but it has not its full value unless it culminates in synthesis. To use a somewhat base analogy, by marking the individual answers to the several questions given by an examination candidate you may not arrive at the best estimate of which you are capable. I have always found it wise to check my total by the unified impression and confirm or correct accordingly, after careful reflection. Many times I have known a second class become a first, or vice versa, on a final and synthetic estimation.

So I should recommend the superior officer, after marking his the candidates according to the scale, to consider with regard to each individual and the general order resulting from the addition of the marks whether the analysis has given the best possible result. I have marked A very good; is he not really excellent? Do I really think B satisfactory? Is he not rather fair to indifferent? And then, when the list is complete, can I justly say that C is better than D? Has not my analysis somehow put them in the wrong order?

After all, a human being is one and indivisible. The analysis is only a means to the end, which is the just estimation of each man or woman as a whole.

Financial Control in Administration

By Sir CHARLES HARRIS, G.B.E., K.C.B.

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

FINANCIAL control is a wide subject—almost as wide as government itself; for, as Mr. Lloyd George once said, "Finance is Government": that is, money is the common denominator to which, willy-nilly, ideals and efficiencies must be reduced before they can secure priority of adoption. To argue this is unnecessary here, as we all know that money is the directive of man-power, and financial limitations reflect the fact that no nation can divert an unlimited proportion of such power from the production of wealth to the non-productive or destructive activities with which governments are so largely concerned; and never more so than when, as now, high among the activities of government must rank the inactivity politely spoken of as maldistribution of leisure. But our theme, "Financial Control in administration," narrows the subject by excluding all the parliamentary part of such control: the debating of Estimates, the determination of policy and the voting of funds; for though, as citizens, we may feel that no part of our system more urgently needs rationalisation, it would not be in order for us, as public officials, to criticise the ways of Ministers and Parliaments. If our budgets, our trade returns, our credit and the course of our national debt for years past combine to show that our once justly admired system of financial control, taken as a whole, is now simply ineffectual, it is not for us here to allot the blame between the political and the administrative parts of the machinery. But one fact stands out: with us more than any other constitutionally governed nation, parliamentary control of expenditure has sunk to a farce. No less an authority than our President, an ex-Chancellor of the Exchequer with forty years of parliamentary life to his credit, recently told a committee that the real work of financial control is, and must be, done not by the House of Commons and its committees, but by the spending departments and the Treasury. But this puts the permanent Head of the Treasury in a false position; for though among clerks he is an Authority, among Authorities he is a clerk, without the power the guard of an express

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train has of clapping on the brake without the driver's leave when he thinks the pace too hot. If, therefore, the effect produced by our financial machinery now resembles nothing so much as pumping water into a barrel with open bung-holes, it does not follow that the blame lies on the Civil Service, though the public may be taught to regard it as the sole organ of control. The naked fact is that, as regards expenditure, the Cabinet rules as dictator. So much by way of introduction.

We start, then, with the Treasury—the Lord High Treasurer in Commission. From the day when the King of England ceased to keep his treasure in a box under his own bed, he looked to that high officer to see that it was honestly and thriftily spent under the royal authority, and (one may be sure) gave him the fullest support in any orders or precautions to that end. So it comes about that to-day Treasury control over expenditure is nowhere limited by definition, but is just whatever the Treasury in its wisdom likes to make it. Thus, our Treasury is not only the Ministry of Finance of other systems, but also what has recently been called the Ministry of the Budget, viewing the whole financial programme of the year as one and controlling it as such, not only at the stage of estimate but also of expenditure; and its wisdom has been nowhere more plainly shown than in the creation, under its inspiration, of special financial organisations within other Departments of State, to conduct their disbursements, render account of them and bear the responsibility for seeing that its regulations and orders are observed, in letter and in spirit, in the business dealings of their Departments.

Here arises the first point: the distinction between financial control of business and its technical oversight, a distinction of growing importance as administration becomes more and more technical all round. The proverbial right of the person who pays the piper to round. The proverbial right of the person who pays the piper to call the tune has often tempted the authority holding the purse-strings to select for itself which items of a programme shall be carried out and which dropped or postponed. But proverbs are like expert witnesses; you can generally get them to support either side; and in everyday life the man who, on the strength of paying the medical expenses, would himself decide points of treatment, would bring himself under another saw: he who is his own doctor commonly has a self under another saw: he who is his own doctor commonly has a fool for his patient. The payer of the piper is indeed entitled to settle the length of the programme, but should leave the choice of items to an expert in pibrochy. The priority of different technical expenditures is essentially a technical judgment and cannot be settled by financial authority without detracting from the due responsibility by financial authority without detracting from the due responsibility of technical staffs. I shall come presently to one method of giving effect to this principle in practice; but at this point I should mention

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that my experience, on which rather than on general theories of administration this very incomplete contribution to the discussion is based, lay entirely in a Defence department. In such a department the subject-matter is extremely technical and is the province of a very strongly organised and influential professional body, exercising great responsibilities and controlling directly, from its headquarter office, a great area organization; and it may be that such a Civil department as the Post Office (say), as its work becomes more technical than the old business of carrying letters, will tend in some degree to approach some similar type of organization. In the War Office, during my time, continual changes resulted in the transfer of all technical (and therefore nearly all administrative) duties from permanent civilians to military personnel holding short-term War Office appointments and then returning to the army; and this led to the creation of a civilian financial staff organised on lines parallel to the military staff, as described further on, with results that may be found to have some bearing on the relations between financial and technical staffs elsewhere, though I cannot pretend to say to what extent.

Financial control addresses itself to two main questions: (a) the economy or business merit of a particular expenditure; and (b) the availability of funds to meet it. Under (a), in simple questions such as pay, its standard of reference is conformity to accepted levels in like or analogous cases; in more complicated cases its task is first to ascertain the true cost of any project, including the reactions it will provoke elsewhere, and then where possible to measure the return to be obtained for the expenditure, preferably in the form of unit cost. Unfortunately, when once a new project for government expenditure has been accepted, it merges in the established scheme of things and, like motion under Newton's first law, tends to continue uniformly in the same direction, immune from criticism of actual results because there is no machinery by which anyone can ascertain what anything actually costs, and probably least of all the officials who are conducting the new routine, because they never see even such accounts as do exist. This absence of the constant review of actual results, which in efficient business management is carried on by means of intelligently designed accounts, is perhaps the weakest point of our financial administration; and leads to desperate efforts, at irregular intervals, to secure some economy by calling in a "Geddes" Committee of distinguished outsiders to tell our over-regulated but uninformed departments where they are wasting money. The reason is, of course, that the purpose for which generations ago our parliamentary accounts were designed had nothing to do with merit of expenditure or economy of administration, but was to satisfy Parliament that the points it insisted on—honesty, due authority, and

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limitation of expenditure—had been secured. Merit and economy were the affair of the Treasury; and that Department, in prescribing the accounts to be kept, seems to have always regarded them as concerned with (b), availability of funds, leaving economy to be secured by correspondence and regulations about details. Thus, for new projects however important, the only guarantee of economy our whole system of financial control affords lies in the fullness and fairness of the prospectus prepared by the Department concerned for examination by the Treasury; and these qualities in the prospectus are best guaranteed by thorough discussion of all details between the administrative branch and the departmental finance branch with its intimate knowledge of the working of the department and of the material to be found in its account records. All prospectus writers, if uncontrolled, are sanguinely *ex parte*.

trolled, are sanguinely *ex parte*. The availability of funds, (b), which is no guarantee of economy, might seem a simple question of figures; but it has its own complications. Not only the Votes of Parliament but the endless subheads and items into which each is divided, are by Treasury regulation made separate "grants," to overspend which is open sin, while to underspend involves surrender of balances. Acute but unbusinesslike intellects have invented not very coherent rules requiring a payment to be charged to the account of the previous, the current or the following year, according to certain characteristics, so that the "expenditure" which must be kept within the "grant" is not the same as the total of the year's payments. With expenditure going on all over the country or the Empire, with votes arranged on any but a geographical plan, and with the notorious unpunctuality of Government contractors, it takes a financial expert to say at any moment whether Scylla or Charybdis lies ahead. Good control of a vote comes to mean not best value got for the public service from the money voted, but success in an intricate game of artificial hazards and forfeits having little connection with practical requirements or ends. Where permanent officials merely find opportunities of proving professional skill at the game, technical officers on short-term appointments may reasonably demand the help of a qualified pilot to keep the ship off the rocks.

Thus, the position and duties of a departmental finance branch and its relations with technical or administrative branches cannot be standardised *a priori* but must vary with the subject-matter and the staffing of the administrative branches. In the War Office, under the conditions already noticed, a special relation between military and finance branches was evolved, called "financial advice." Successive generations of military personnel had progressively lost the administrative traditions of the civilians they had replaced, and the art of

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administering a vote was almost forgotten, while the finance sections handling the expenditure and accounts relating to stores, clothing, food, &c., knew nothing of new projects until the finished plans came to them with the challenge: "Any financial objection?"; nor had they any share in the preparation of the annual Estimates. Financial objections under this plan became numerous and often well-grounded; and at last a very able military administrator (Sir Henry Brackenbury, Director-General of Ordnance in the closing years of last century) saw that by drawing the fire of the finance branch at an early stage, instead of exposing a finished plan to it, he would avoid committing himself to partly-digested proposals and would lessen friction. Accordingly he got leave to consult informally, before taking decisions involving finance, the head of the finance section dealing with his expenditure, on the understanding that the higher financial authorities would be in no way committed to accept his eventual proposals whether he followed the advice so obtained or not. It was also arranged that this "Financial Adviser" should supply the D.G.O. with the same periodical statements of liabilities and expenditure under votes as he supplied to his own superiors—the necessary foundation for the limitation of expenditure, (b)—and should help in the preparation of the Estimates. This plan worked so well that in the "Esher" reorganisation, after the South African war, it was extended to the other administrative branches of the War Office and also to the army Commands, where the War Office local auditor of army accounts was appointed Financial Adviser to Command headquarters; and before the Great War it had been embodied in our war organization, with the cordial approval of the Generals designated to command in the Field, when it proved invaluable.

It will be noticed that the Financial Adviser organization requires both the finance and the accounts relating to the work of an administrative division to be dealt with by the same finance section; a plan of which the great practical advantages are well expressed by the homely German proverb, "The one hand washes the other."

Financial *advice*, in this sense, covers wider ground than financial *control*, applying to matters where the soldier decides finally, disregarding or dispensing with such advice if he chooses; but in practice it has been so welcomed and so generally followed that my only anxiety used to be lest the deciding general should lean too heavily on the advising civilian. When the last word is with Finance, and advice not accepted may reappear as control, the well-understood fact that the velvet paw contains claws has not been resented; and the junior's advice in such cases has been overruled by his financial superiors often enough to show that it is not in fact control *mutato nomine*.

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The bringing of the financial advisers into the preparation of the annual Estimates from the earliest stages proved very useful. Administrators soon grasp the fact that by cutting provision for current maintenance very fine, they can make more room (in the Estimates) for the new projects on which (if they be proper men) their hearts are set. The financial adviser, with his knowledge of recorded expenditure and consumption, is best able to check any such tendency; and only if agreement is not reached is it necessary for higher authorities to intervene. Similarly new projects, put into shape by the administrator and financial adviser in concert, and submitted to superior authorities with an agreed statement of cost, can be discussed at any time in the year and advanced to the stage at which only the question of available money remains, when they go into cold storage until Estimates are on the stocks. Priority is finally decided at a meeting of all the members of the Army Council, at which the Secretary of State announces the total which he has settled in the Cabinet, gives such instructions on general policy as he thinks fit and then withdraws, leaving the Chief of the Imperial General Staff in the Chair, as the deciding authority on the relative military importance and urgency of the various departmental projects, to discuss and settle with his colleagues how to bring the whole programme down to the allotted total.

At the risk of becoming wearisome I have gone thus far into details of procedure in order to show one way in which Heads of technical departments, within the inevitable limits of finance, may be allowed full exercise of their professional responsibilities. The system described was tried out in the years 1906 to 1914, when the organization of the Expeditionary Force and the Territorial Army multiplied our effective military power many times, concurrently with a notable reduction in its cost. In the hands of a Minister with the genius for combining opposite elements in one great effort of teamwork, it produced a fine blend of technical progress with large-scale economy. The liberty of choice thus left to technical authorities by their Minister should be similarly respected by the Treasury unless it can show that there are considerations, really financial, which somewhere in the technical programme have been overlooked. In fact, both in and out of the Treasury, apart from the limitation of totals, the financial influence should be exercised not by opposing to the judgment of technical authorities a different conclusion from the same data, but by bringing into the discussion data which were not present to the technical mind. And if it be objected that the technical mind is notoriously liable to be wrong in decisions of policy, the answer is that that is a very good reason for not attempting to substitute (as we have done) Treasury for Parliamentary control.

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Some uncertainty has existed as to whether the making of contracts is administration or finance. In many American municipalities, for instance, it is assigned to the Finance Department, and in some, in a desperate effort to keep clear of Boodle, it has even been assigned to the Auditor. In the Cardwellian War Office it was under the Surveyor-General of Ordnance, a parliamentary officer; but when he was abolished in 1887 it was put under the Financial Secretary, not as being finance, but because of the three Ministers in the Office he was the only one necessarily in the Commons. For one brief interval, each military department made its own contracts, subject to a review by the Finance Department; but this worked as badly as had been foretold, and the Director of Contracts, having been revived, was in 1908 put again under the Financial Secretary and made independent of the Finance Department. Then, as always, it seemed clear to me that the work, though of great monetary importance, is administration, differing fundamentally from finance and requiring special qualifications. It cannot be done by regulation or subjected (as finance is) to audit control with its accumulations of precedents, case-law and Treasury sanctions. An efficient Director of Contracts must have a first-hand knowledge of markets, the status, connections, personalities and performances of contracting firms, and the ways and requirements of the using departments as regards patterns and inspection, so as to be prepared—and free—to conduct personal negotiations at short notice on business lines. Certain variations arising out of contracts, but not in the making of them, such as contract, extensions without competition and other points, are proper subjects for financial control; and on such points it is good to have an independent financial—and in special cases Treasury—review. But these are trimmings, not the main dish. In Defence Department in particular, the heavy responsibility of the Minister for the preparedness of his Force for sudden war, logically involves his unfettered control over the placing of contracts, including acceptance of any tender considered essential to punctual and efficient performance. This should be made (in the most important cases) his personal decision, carrying with it the obligation to defend it personally in Parliament. The War Office, therefore, has never been willing to admit that contract-making is a branch of finance or subject to Treasury control. It may be that the above reasons apply with less force to such supplies as are purveyed by the Stationery Office and some other civil departments; but I think they show that in its essence the work is administrative.

Coming now to the general relations between departmental finance branches and the Treasury, as a junior official in such a branch I

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was taught to consider myself an "outpost of the Treasury," in the sense of being bound to resist anything contrary to the letter or spirit of Treasury instructions. But would it not be better to make these branches sections of the Treasury itself, controlling departmental expenditure from inside, just as in India the financial organization at Army Headquarters is a detached section of the Finance Department (Treasury) of the Government of India? Good men will make almost any system workable; and in any case, Indian conditions so far differ from ours that argument from one to the other is fallacious. The truest economy (as distinct from broad-axe work) comes from within the spending departments; and neither the Minister nor his administrators can be expected to accomplish much in that line if the only help they can get is from the subordinates of another Minister who is (or should be) the declared opponent and critic of all fresh expenditure. Other difficulties are obvious, such as those involved in staffing so many finance branches from one small central department. All my experience supports the view that the departmental finance branch, while upholding all Treasury standards, should give its complete allegiance to the Head of its own Department. But, that given, questions of some interest arise as to the attitude of the head of such a branch, who has been over-ruled by his Minister (not in his quasi-statutory position as Accounting Officer, but as financial critic or adviser) when he has (a) to give evidence before a Parliamentary Committee on the point in question, or (b) to explain, or discuss it orally at the Treasury. Different considerations seem to me applicable. In case (a) a past decision or act of government is in question; and Parliament, having "power to send for persons and papers," is entitled to know not only what was done, but on what grounds. The official is representing his Ministry; and the Committee, if not satisfied with his evidence, may send for the Minister himself as well as the departmental files. When pressed in such a case, I have said: "I personally took such and such a view, but higher authority attached more weight to such and such other considerations and decided accordingly"; and I always found that such frankness was appreciated. But in case (b) the position is different. The official view of the Ministry is (presumably) fully and fairly before the Treasury in an official letter, of course with the determining considerations in the foreground; the question is still *sub judice*. The Treasury is not entitled to send for the departmental files, and its position is rather that of cross-examining counsel, to whom the official is not called upon to re-state an opinion that has been over-ruled by his superiors. When one has been silenced rather than convinced in one's own Department, the position may not be free from difficulty; and after many ponderings I have never felt able to

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better the illogical but supremely practical direction to a witness to "tell the truth, the whole truth and nothing but the truth, *on behalf of the plaintiff*."

Principles apart, the great question of practice in the sphere of financial control is decentralisation: both between the Treasury and other headquarter offices, and between the latter and their area or other subordinate offices. This is altogether too large a question for this paper to deal with adequately, but some points may be briefly indicated. Centralisation has long been the besetting sin of large organizations, in other aspects of administration as well as in finance; and of course it has great and evident merits or it would not be so universal a feature in the work of men so able and zealous as the public officials of so many countries now are. *Quod semper, quod ubique, quod ab omnibus*, is not lightly to be challenged; and yet the merits of uniformity, finality, direct central control of funds voted centrally by Parliament, are bought at a heavy price, though one not so immediately evident. In the fiscal sphere the advantages of "safeguarding" to a particular industry may be undeniable, if it stops there; but if it becomes "safeguarding all round," or general protection, quite other considerations apply, involving real and deep-seated disadvantages—I express no opinion as to where the final balance of advantage may lie. So, looking beyond the trees to the wood, there are deep-lying objections to centralisation as a general system, of which one is the congestion of regulations and correspondence about details, which submerges offices, multiplies routine clerks and absorbs the time and energies of men who ought to be free for constructive thought; and another is the paralysing effect on the whole race of officials, who soon learn to think that their sole duty is to secure exact compliance with regulations or to submit to higher authority for a fresh ruling, with the result that their sense of responsibility and power to act for themselves suffer atrophy. On these lines, work is done over and over again in the offices through which it passes on its way up to the centre: and while detailed savings may be made in the process, there is none of that live economy which comes from the man on the circumference, where action has to be taken, thinking for himself how to save money on his own job. Most of us have seen public money wasted in strictest accord with regulations.

The alternative to working over the details again and again in higher offices is to have some means by which their general effect shall be presented in intelligible and significant form to the controlling mind. Inspection is one such method, applicable to many aspects; but for financial control the generally accepted machinery in the business world is that of appropriate accountancy, and especially of accounts of the costing type. Accounts of the profit-and-loss type

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have little or no application to government work; but there are large areas of such work in which by means of well-chosen cost units, cost accounts can serve as an index to economy of administration, and so furnish a means of financial control of expenditure by generalised results. As we have already seen, our classical system of government accounts addresses itself only to limitation of totals by compartments, and has no bearing on economy. Accounts in this system, covering only cash, have no meaning for the men who are actually spending the money, or for anybody else until, a year or more in arrear, they are brought together centrally, for twelve months and from many places, for comparison with the parliamentary grants. What man can be expected to take any interest in marksmanship if he fires away shot after shot, by order, at an unseen target and only hears, long afterwards, what sort of score the squad as a whole has made? But in the costing system there is necessarily an account, covering expenditure of all kinds—and the expenditure of stores offers a better field for economy than their purchase—for each particular institution, kept on the spot, made up at frequent intervals and laid before the administrator, so that he sees the result of his own actions on his figure of merit. It is a psychological fact that men will take active interest in anything, however dull—machine-minding or even economy—if it is so presented as to awaken the conative instinct and promptly registers the degree of success attained. There are here possibilities of new achievements in financial control which have not yet been realised.

Our Government financial system, deplorably weak in accountancy, is strong in audit, with a departmental examination of accounts followed by the searching independent review by the C. and A.G. of all the correspondence and office papers bearing on expenditure. Under present conditions, statutory and other, this review is largely concerned with such formal points as the exact appropriation of expenditure to the comminuted structure of the parliamentary grants and the production of Treasury authority, in advance or in arrear, whenever discretion is exercised outside the regulations, so intensifying the plague of centralisation of details. But it might be used to facilitate decentralisation without loss of control, if the departments enjoyed a larger freedom and the Auditor drew attention to any case in which he detected substantial failure.

As we began with the Treasury, so we come back to it in the end. Its action in the sphere of decentralisation necessarily determines the action of the whole Service. What, judged by its public form, is its attitude? As our voted expenditure has swollen since the time (say) of Goschen's hundred-million budget, and the departmental financial organisations have been strengthened, has it shown

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anxiety to relieve itself of the growing burden of detail? Or has it striven to tighten its control of everything, grudgingly conceding a little freedom when the departments have summoned up courage to plead for more, but never of its own motion pressing it upon them? It is of course true that the general movement of the times in matters of personal remuneration, with national organizations of employers and workpeople watching to take advantage of the least slip anywhere which may present opportunity of gaining a little ground, must make for centralisation in all such questions, even in business where the desire to decentralise is present and active. In such matters it may be that a voice for decentralisation is appropriately raised in Oxford, long known as the home of lost causes. But take as test a class of detail which has none of these fateful possibilities, which does not lend itself to any wide combinations but is largely lamentation for milk already spilt: the rules for the writing-off of "losses" (the inevitable incidents of any active business) with their complicated classification of the causes of loss and their microscopical limits to what may be passed without Treasury sanction. These are pre-eminently a subject for large decentralisation controlled (as already suggested) by audit; but so far as my information goes, except for a correction for the rise in the price-level, the limits stand as they did long before the war. Here we have a second instance of proverbial wisdom pointing both ways; for to the precept "Take care of the pence and the pounds will take care of themselves," another-wit has not failed to retort, "Penny-wise, pound-foolish."

In short, as regards control at the expenditure stage, to climb out of the pit into which we have fallen, we want a rope of three strands: modern accountancy, decentralisation, and more reliance upon audit.

Financial Control in Administration

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[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

Introduction.

(1) I propose to deal with the subject allocated to me purely from the Local Government point of view, and in this connection use the term "Local Government" in a wide sense and include within its ambit, County, County Borough, Borough, District and Parish Councils, Joint Boards and miscellaneous authorities.

(2) The adequate control of public finance is a subject very much to the fore at the present time; as to how it has to be done is frequently a matter of conjecture or impractical suggestion.

(3) In the first place the average citizen pays his rates and taxes usually within the prescribed period and without undue pressure and endeavours to meet all those other charges which one must pay to live, he, at the same time, frequently endeavours to bring up his family, if such he possesses, in a state rather better than that which he experienced, but in connection with National and Civic affairs he is frequently woefully ignorant of the relationship that exists between the State and the local authority with regard to even everyday services which he enjoys, and particularly so in relation to the financial obligations which those services impose upon the community.

(4) In the second place any discussion which we may have which seeks to compare present day financial values with those of pre-war days or even of 10 years ago, fails to have true effect unless we adjust the present day value of the £ with that of the period under review and in this connection before discussing methods of controlling the expenditure of local authorities, it is, I think, advisable that we should know something of what that expenditure amounts to, and as to its trend in an upward or downward direction.

(5) Some twelve months ago, and for another purpose, I prepared, with considerable assistance from the Statistical Officers of the Ministry of Health, figures and statistics relating to the growth of municipal indebtedness and rate-borne expenditure, the details from which such information was derived being substantially set out in

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the Statistical Abstract for the United Kingdom published by the Board of Trade in January last.

(6) The statistical tables given in the Abstract relating to the outstanding debt of local authorities covers the period 1913-14 to 1927-28, and an approximation of the monetary values of the years subsequent to 1920 with those of 1913-14 can be arrived at by utilising the Board of Trade index numbers of *wholesale* prices from 1920 to 1928 based on the year 1913 which for this purpose is stated at 100, and by converting the post-war capital expenditure of local authorities into the monetary values of 1913 we may examine firstly the growth of municipal indebtedness and rate-borne expenditure by pre-war standards, and secondly, appreciate the sum involved in the subject we are discussing.

(7) The table set out hereunder gives the following particulars relating to the expenditure out of loans for capital works of local authorities in England and Wales during the years 1913-14 and 1920-21 to 1927-28, under the following heads:—

- Expenditure (to nearest £1 million) out of loans for capital works of local authorities of England and Wales during the years 1913-14 and 1920-21 to 1927-28.
- Index numbers of wholesale prices from 1920-21 to 1926-27 based on the year 1913 (= 100).
- Expenditure out of loans for capital works of local authorities in England and Wales during the years 1913-14 and 1920-21 to 1927-28, converted into monetary values of 1913-14 (to nearest £ million).
- Expenditure out of loans for capital works of local authorities of England and Wales during the years 1920-21 to 1927-28 which would have been incurred had the expenditure increased in proportion to the increase in wholesale index numbers.

Year	Expenditure out of Loans	Board of Trade Index Number of Wholesale Prices (1st April to 31st March)	Expenditure out of Loans converted into 1913-14 monetary values	Expenditure out of Loans which would have been incurred had the increase been in the same proportion as the increase in the Index Numbers
	(a) £ (millions)	(b)	(c) £ (millions)	(d) £ (millions)
1913-14	21	100	21	21
1920-21	94	237.5	33	60
1921-22	129	181.9	71	38
1922-23	72	157.9	46	33
1923-24	50	160.8	31	34
1924-25	70	166.8	42	35
1925-26	101	153.9	66	32
1926-27	117	146.9	80	31
1927-28	120	141.2	85	30

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(8) It is to be remembered that the above illustration has reference only to the expenditure out of loans of local authorities and there is still to be considered the sources from which the debt charges on these loans, *i.e.*, interest and debt redemption, are provided. Generally the sources of the revenues required are:—

- Local rates.
- Grants in aid from the National Exchequer.
- Revenues of trading undertakings and miscellaneous income.

(9) In this connection a comparison has been made with the post-war rate-borne expenditure and that of 1913-14, using the Board of Trade *retail* index numbers, with a view of ascertaining the trend in that portion of the income of local authorities derived from the citizen by means of local rates and also of its magnitude.

Year ended 31st March	Receipts from Local Rates	Receipts from Local Rates converted into monetary values of 1913-14 according to Board of Trade Index Numbers of Retail Prices	Board of Trade Index Numbers of Retail Prices (1st April to 31st March)	Amount which would have been raised if the receipts from Local Rates had increased in the same proportion as Index Numbers of Retail Prices
	£ (millions)	£ (millions)		£ (millions)
1914	71	71	100	71
1920	106	48	217.9	155
1921	152	60	254.8	182
1922	171	81	209.9	150
1923	157	88	179.7	128
1924	143	82	173.9	124
1925	142	81	175.1	125
1926	149	85	174.1	124
1927	159	92	172.1	123
1928	167	101	165.8	118

(10) My apology, if such be needed, for bringing to your notice the extent of the expenditure of local authorities out of loans and that borne by local rates, is due to a belief that the importance of finance in both national and local affairs, is not sufficiently appreciated, and that the present method of defraying the cost of quasi-national and local services gives rise to confusion in the public mind and tends to impose difficulties in financial control and administration.

External Control.

(11) Having assimilated the extent to which local authorities are indebted in respect of outstanding loan debt, and also as to the annual charges which are termed rate-borne expenditure, it is a matter of consideration as to the method adopted for controlling local govern-

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ment expenditure both externally and internally. There is a close bond of relationship between the Central Government and local governing bodies, this relationship being founded upon a necessity for co-operation dictated by economic reasons. By external control is meant the oversight exercised by a separate authority from without, such as by Parliament or by a Government Department, such control being effected in the following manner:—

- (a) By means of obligatory or restrictive clauses contained in General Acts of Parliament, *e.g.*,
 - (1) The Treasurer to keep accounts and make them up half-yearly (*vide* M.C.A. Act, 1882 and P.H.A., 1875).
 - (2) Methods of borrowing and redeeming debt.
 - (3) Appointment of Borough Auditors, M.C.A., 1882.
 - (4) Limitation of Profit on Trading Undertaking (Electricity Supply Act, 1926).
- (b) By the restrictions imposed on local authorities by Parliament in connection with local Acts which the local authority may have occasion to promote, such control being exercised in the first instance by the Local Legislation Committee when the Bill comes up for consideration.
- (c) Control by Government Departments, as, for example, the Treasury, which exercises control directly and indirectly on local authorities' activities. Directly where the Treasury is responsible for fixing the rate of interest at which local authorities may borrow money from the Public Works Loans Board. Indirectly, in regulating or determining the amount available from National Funds for distribution to local authorities by way of Grants, *i.e.*, Grants made out of the Road Fund or approved by the Unemployment Grants Committee. The Treasury are also able to exercise very powerful influence on the Local Legislation Committee in connection with financial provisions sought by local authorities, an example of this being shown in the efforts made to secure powers to operate Municipal Saving Banks and also to issue Local Bills, also control exercised by the Ministry of Health, the Ministry of Transport, Home Office and Board of Education in connection with new and extended services, the raising of loans and other matters.
- (12) With reference to Parliamentary control it is to be remembered that the local authority cannot involve itself in transactions for which it has not the necessary statutory authority, nor is it allowed anything like the latitude which is enjoyed by an ordinary commercial concern. Its constitution is prescribed by various Acts of Parliament and it operates within the limits prescribed by the various Statutes

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governing it. In addition, a considerable amount of control, particularly concerning financial transactions, is effected by various Government Departments, and of these, special reference should be made to the Ministry of Health, which exercises a very wide influence on local authorities in the control of expenditure by the opposition of local legislation which the authorities are promoting where the interest of the State conflicts with that of the local authorities, where schemes involve financial risk to the community, or where departure from established procedure is contemplated, and for many other reasons.

(13) Regarding the relationship which exists between local authorities and the State it is to be remembered that the National Administration differs from local administration in several respects. In its relationships with the local authority matters of principle affecting the local authority are frequently dealt with by the Government Departmental Heads, whereas in the case of a local authority they are decided upon by a majority vote of the Council, varying in numbers according to the type of Resolution to be passed. In practice it is found that the control exercised from without aims at securing—

- (a) That the proposed scheme or works are within the legal power of the authority to perform.
- (b) That they do not conflict with the operations of the State.
- (c) That they are essential.

(14) Several of the Government Departments are concerned in the consideration of applications for loans to finance schemes which the local authorities are desirous of promoting and in this connection by the holding of local inquiries to examine in detail the proposals put forward, also by the requirements of annual returns and statistical information for the purpose of ascertaining the cost of various services, *e.g.*, street cleansing, where a unified system of costing has been introduced among local authorities and in collating other statistical information for the purpose of comparison with other local authorities operating similar services, and in particular the Ministry of Health by the audit of certain accounts of local authorities by Auditors attached to the Ministry, such audit extending to County Councils, Metropolitan Borough Councils, Rural District Councils, Urban District Councils and Joint Boards, and also to certain Funds and Accounts of County and Non-County Borough Councils.

(15) In order to secure uniformity and elasticity Public General Acts of Parliament affecting local authorities frequently provide for the determination of administrative detail by Orders and Regulations prescribed by the Minister entrusted with the Government Department to which the matter relates with regard to Capital Schemes of a

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local authority. Examples of these are to be found in the following:—

- (a) Regulations under Housing Acts;
- (b) Poor Law Account Orders;
- (c) Police Regulations;
- (d) Regulations of Board of Education and various others.

Such regulations have a considerable effect in limiting (or expanding) municipal expenditure, *e.g.*:—

- (1) Prescribing density of house to the acre (Housing Acts);
- (2) Prescribing type of house to be erected (Housing Acts);
- (3) Allowances for repairs (Housing Acts);
- (4) Strength of Police Forces;
- (5) Fixing of salaries of Medical Officers, and in various other ways.

With regard to the capital schemes of a local authority, and by this I mean that type of expenditure financed by way of loans, whilst the powers of a local authority to carry out the work are to be found in a General or Private Act, this may still be subject to power to raise the requisite capital sum. Apart from other considerations the Central Authority always require satisfying that the requisite procedure as to Resolutions and so on have been passed and approval given by the Authority for the application to be made, and that the loans, if authorised, shall be repaid within a period usually not in excess of the life of the assets it is proposed to create, and as to the method the local authority propose to adopt to raise the sum required.

(17) It is not infrequently stated that whilst it is recognised that there should be some competent oversight of local authorities in regard to capital expenditure, that the existing procedure is frequently irksome and involves, in many instances, the promotion of a Local Act or Provisional Order, with the delay and expenditure attaching to these, and particularly so where opposition is encountered, and that in regard to schemes submitted for approval which do not require a Local Act or Order, that the examination of the proposal by the Central Department is sometimes arbitrary, or it is irksome inasmuch as an important scheme may be held up pending the satisfaction of very minor inquiries as to certain details, and therefore that greater discretionary powers should be granted to local authorities by whom all or the greater portion of the expenditure will ultimately have to be provided. On the other hand there is a body of opinion which holds the belief that many local authorities do not exercise that care and oversight which they should in the consideration of schemes for which they are responsible for promoting, and consequently that greater safeguards should be employed to ensure their adequate control, and that in regard to matters such as audit the existing prac-

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tice of examining accounts frequently at long intervals after the financial period to which they relate has terminated, is ineffectual.

(18) It is to be recognised that the continued growth in both capital and revenue expenditure is such as to call for very careful scrutiny both in regard to the schemes themselves and the cost of their execution. Much of this is inevitable and if analysed will be shown to be in the main in connection with Housing, Road Development, Extension of Public Services, such as Electricity, Gas, Water and Transport. It has been shown that the external control which is exercised is directed more particularly into an inquiry as to their legality and necessity. Valuable advice is readily given to local authorities seeking it and probably frequently given without being sought. The question arises as to whether the existing scheme of external control is adequate and efficient and, if not, in what way can it be improved? It is a subject on which "angels fear to tread" and as I realise that I am far from reaching that state of perfection, and equally that I do not wish to qualify for classification among those referred to in the other part of the quotation, any expression of view other than the mere orthodox, is put forward with great respect and diffidence.

(19) Speaking as one who has spent 30 years in the Municipal Finance service and with experience with a number of local authorities, it appears to me that Parliament itself could do much to simplify and improve the relations between the State and local authorities, whereby a greater measure of financial control and an improvement in the administration of local government, though not necessarily of an external character, could be achieved.

(20) At the present time local authorities are subjected to a very considerable cost in the promotion of legislation which many other authorities possess. The powers which many of the local authorities already have, are such as might reasonably be granted to other authorities desiring them. An enormous amount of time must be unprofitably exercised by local authorities and their officers and by the various Government Departments and by the Committees of both Houses called upon to consider them. That brain power might very frequently be expended at greater profit to the State and the local authorities in the exploration and consideration of the means whereby efficiency in National and local financial administration might be secured, with the aim of making it at least as efficient as that already possessed by other countries.

(21) Other matters in addition to that cited above have led me to the belief that, as regards finance, there is a necessity for a new and revised Municipal Code simplifying the entire position regarding the promotion of local legislation and which should aim at securing that

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the various Government Departments, in their relations with local authorities, shall be more concerned with the development of methods to meet modern conditions rather than with a system which depends so much upon precedent for its consent.

(22) In regard to scientific costing, the utilisation of modern office appliances and in the standardisation of local authorities' accounts much more might be done which at the present time is being left to organisations such as the Institute of Municipal Treasurers and Accountants (Inc.) to investigate and where possible to find a solution.

Internal Control.

(23) The Council of a local authority is responsible for questions of policy, the executive power being entrusted to various officers. In regard to the positions of Clerk and Treasurer these must be held by separate persons and neither may perform the statutory duties of the other. It is usual for the detail work of the Council to be dealt with by several Standing Committees, the actions of the Council and its Committees being governed by the Standing Orders of the Council. Of the Standing Committees the Finance Committee is of primary importance.

The organisation of the Council may follow one of two basic principles:—

- (i) According to service, whereby committees may be empowered to conduct and control all matters relating to a particular service, *e.g.*, Education, Police, &c., or
- (ii) According to subject matter, *e.g.*, Salaries and Staffing, by the formation of a committee to deal with this subject irrespective of the service under which it arises.

The Local Government Act, 1888, imposes this latter basis on County Councils by the appointment of Statutory Finance Committees, but while experience proves that organisation has generally proceeded upon the "Service" basis, some modification is undoubtedly necessary to ensure co-ordination and unified action on the part of a local authority.

(24) A Statutory Finance Committee is only prescribed for two classes of authorities, namely County Councils and Metropolitan Borough Councils. In connection with County Councils, expenditure exceeding a certain amount has to be submitted to them for their sanction before being incurred, namely, all contracts to be entered into exceeding £50. It is, however, a question whether this control which the Local Government Act of 1888 prescribes can, in any sense, be claimed as adequate, particularly in these days when County Councils are called upon to perform so many important functions, which affect other classes of local authority. The provi-

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sions contained in the Act of 1888 whilst usefully recognising the need for a Statutory Finance Committee cannot in themselves be regarded as effecting full financial control, and consequently it is frequently found, as regards County Councils, Metropolitan Borough Councils and other classes of local authorities, it is not by existing statutory obligation imposed on the local authority from without, other than the statutory obligations referred to above, that proper safeguards are to be found in the control of local expenditure, but more particularly by a scheme of organisation which the local authority itself builds up, that control is exercised.

(25) These methods of securing financial control by local authorities are variable in character, and in some instances minute and somewhat elaborate financial regulations have been approved by the Council which, in fact, give to the Finance Committee a greater measure of oversight than that conferred by the Local Government Act of 1888. There is still a tendency on the part of some to regard the duties of the Finance Committee as being those attaching merely to the passing of Bills and the levying and collection of rates and other revenues of the authority, and any interference by it in the collective work of the Council, through its several Committees, is regarded as an intrusion and particularly is this so where the Finance Committee's activities touch upon those performed by Trading Committees. The restrictive view, it is contended, is not in the best interest of the local authority and that if effective control is to be secured it can best be done by a Committee whose members are specially selected for that purpose and who are capable of keeping in touch and co-ordinating the financial operations of the local authority. The financial regulations of a Finance Committee will usually be found to include directions concerning the following matters:—

- (a) Consideration of schemes or work involving capital expenditure.
- (b) Supervision and co-ordination of the financial and accountancy work of the authority.
- (c) Sale or purchase of property and the letting of same where necessary.
- (d) Collective purchasing for various Departments.
- (e) Printing and stationery contracts.
- (f) Establishment of costing system for all departments.
- (g) Preparation and publication of statistical and financial returns and information.
- (h) Submission of annual rate estimates including:—
 - (1) Powers to amend or refer back to Spending Committees, items of suggested expenditure;
 - (2) Capital estimates;

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(3) Supplementary estimates.

- (i) Examination and submission of accounts to the Council for payment.
- (j) Raising of loans to finance capital expenditure.
- (k) Collection of all revenues relating to the local authority.
- (l) Generally to supervise and control the financial operations of the local authority.

(26) If a Finance Committee is to justify its existence its chief functions would be that of a supervisory as well as an advisory committee. It is possessed of information not known by individual spending Committees and whilst it should invariably seek to co-ordinate the financial work of all departments, it is in a position to visualise the effects of the policy of any Committee on the finances of the local authority as a single entity and among other matters will consider matters of policy, such as—

- (a) The adoption of a rationed estimate, that is limiting a spending Committee or Committees to a block vote, leaving the Department certain latitude as to its spending.
- (b) A consideration of the method of defraying expenditure of a capital nature and as to whether it shall be borrowed or paid out of revenue.
- (c) The policy of direct or indirect labour in carrying out new and existing schemes.

(27) One of the subjects which calls for deep and considered opinion by the Finance Committee arises when expenditure is incurred, a proportion of which is met by Grants in aid. This subject is a pertinent one at the present time particularly in view of Grants made by the Unemployment Grants Committee to induce local authorities to expedite expenditure so as to provide work for those who are unemployed, and also those other services such as Education and Police where Exchequer grants are made. The existing procedure is frequently condemned as being an incentive to local authorities to expend more than they can afford in order to secure a Government Grant. An important duty of the Finance Committee is that of considering the method of raising capital money required by the authority to finance schemes defrayed out of loans, as to whether this shall be by stock, loans on mortgage or by other means. The Committee is usually required to consider and report on new schemes and to recommend the Council as to whether such schemes are of necessity and should be proceeded with.

(28) It is the practice among County, County Borough, Non-County Borough and the larger Urban District Councils, excluding a few of the largest local authorities, to concentrate the financial work

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of the Council in a Finance Department; the advantages of which are:—

- (a) More effective financial control;
- (b) Standardisation of accountancy systems, including costing;
- (c) The means whereby the Committee can be kept informed of the financial operations of all the Committees of the Council;
- (d) Greater convenience to the public in dealing with the local authority in regard to financial matters such as the payment of accounts, &c.;
- (e) The issue of financial and statistical information in a standardised form.
- (f) A specially trained accountancy staff to deal with the many and varied financial transactions of the authority.

(29) With regard to the internal organisation of the finance department the work is more effectively performed if dealt with sectionally. Care must, however, be taken to see that the sections are not so segregated as to prevent cohesion and continuity in the functions to be performed, and in regard to that section of the department dealing with the examination and audit of accounts the work should be so arranged that it falls into natural sequence. The procedure will vary according to the manner in which the work is performed. For example, work done by contract and that by direct labour. In the former case the processes of check involve:—

- (a) Examination of specification and form of tender.
- (b) Examination of Minute of the Council authorising work to be performed.
- (c) Verification of Ministerial sanction.
- (d) Verification that work has been duly executed in accordance with specification and contract.

With regard to work done by direct labour other matters have to be considered and embrace not only those referred to in (b), (c) and (d) but also the establishment of a costing system in its entirety embracing:—

- (1) Purchase of materials.
- (2) Adequate system of stocks and stores.
- (3) Ascertainment of manufacturing costs including use of machinery and wages incurred.
- (4) A proper allocation of administration expenses.

The establishment of an efficient financial system by the local authority is fundamental and absolutely necessary if effective control is to be realised.

(30) The provisions relating to the appointment of Auditors of the accounts of local authorities are of a varied character. The audit of accounts of certain classes of authorities by the Audit Staff of the

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Ministry of Health, known as District Auditors, has been referred to. This audit is usually a terminal one, that is, at the end of the period to which the accounts relate. Moreover, it is largely concerned with seeing that the expenditure is authorised and legal. One of its chief defects arises from the fact that it is frequently held at a lengthy period after the accounts are closed. Many Corporations have secured power to appoint professional auditors to audit the accounts of the Municipality, occasionally including those audited by the District Auditors. Professional Auditors are with few exceptions Chartered or Incorporated Accountants with a knowledge of commercial affairs. In addition there are the Elective Auditors appointed under the provisions of the Municipal Corporations Act, 1882. No professional status or qualifications are required and the audit is frequently of a most perfunctory character and of little value. The subject of audit is one worthy of the attention of Parliament, and those Municipalities desirous of appointing professional auditors to supersede the Borough or Elective Auditors should be able to do so without being put to the expense of obtaining statutory powers. Probably the most effective audit of all is that established by the Finance Committee itself, attached to the Finance Department, and which conducts a continuous audit of the detailed transactions of the various Departments of the local authorities. This branch of the Finance Department is termed the "Internal Audit Staff" dealing as it does with the internal operations of the local authority.

(31) It is not possible in this paper to deal with other than mere outlines. Much might be said of the matters referred to. It is necessary to realise that the modern progressive Municipality deals with many matters other than those relating to public health, the protection and education of its citizens. The figures which were quoted at the commencement of this year give some idea of the magnitude of the outstanding debt of local authorities which at the end of March, 1928, had reached the sum of £1,051 millions or 59 per cent. higher than the pre-war National Debt, and in the same period rate-borne expenditure had expanded from £71 millions in 1914 to £167 millions in 1928. It is, however, to be borne in mind that the years 1914 to 1918 did more than create a spirit of national patriotism. It brought into being a realisation of a higher standard of living, a demand for an extension of public services affecting the health and well-being of the community, and with it there has inevitably been an expansion in both national and municipal expenditure.

The local government service to-day demands competent men and women to conduct its affairs both in an administrative and executive capacity, and as regarding public finance an ever-growing necessity for its efficient control.

Research into the Theory and Practice of Public Administration

By ARTHUR COLLINS

[Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931]

THE object of this paper is simply to indicate some of the problems of Government which seem to be suitable for special study, in the hope and belief that the result would be the advancement of the science and art of public administration. It will therefore be short. Scarcely any officials engaged in the management of the affairs of the State or of a Local Council would think it profitable to discuss whether we must rest content with things as they are. We always seek to find improvements in our way of doing things. It appears to be unnecessary, also, to examine closely the meaning of the word "research," or to define its limitations. Suffice it to say that for our present purpose, research work involves a study of some branch of administration of public affairs, either by a student detached from any organisation, or by workers in an organised body. They are to apply their minds to an inquiry into the reason for doing things as we do them, and to judge the results of doing them in that way, so that by the blend of theory and practice the functions with which we have to deal in our administrative system may be discharged as speedily and effectively as possible.

My friend, Mr. J. R. Howard Roberts, the Town Clerk of Kingston-upon-Hull, informs me that his paper deals with the part the Universities may take in research work conducive to improvements in public administration. For some reason the British mind seems naturally to regard the University as an excellent school for the study of theory, but entitled to little credit for practical knowledge gained from experience. This fallacy may in due time die out. In the meantime Mr. Howard Roberts's paper should be read as one in conjunction with this, and not treated as thought the contribution of the Universities is only theoretical, and as such detached or detachable from the practical.

If there should be any substantial number of men and women taking part in public administration, either as the elected representa-

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tives of the people or as appointed officials, who regard the work of research as a fit occupation for faddists and cranks and not for the orthodox public servant, they would find it difficult to deny that research into the mysteries of nature and science, especially medical science, had brought manifold benefits to the human race. The application of electricity to the use of man, the maintenance of life in human beings saved by insulin, and the discovery of aseptic immunity, bestowed upon the world by Lister, in all cases of the use of the knife by the surgeon, alike testify to the fact that while the daily practitioner in every walk of life attends to the daily needs of the people, the greatest steps towards improvement and reform in communal life have been made possible by the intensive study, the quiet and detached thought, of the student employed in research. It would be idle to pretend that in the realm of government, involving the management of the public business of the people, there was no scope for research.

Little time need then be occupied in making out a case for initiating and utilising the research worker in our field. Let us rather consider what are the subjects lying to hand at this moment which most public officials are too busy to study, except in their moments of leisure (if any) from daily duty. Then we might proceed to inquire what would be the best agencies to utilise in these special studies, and finally review the part which we may play, as members of the Institute of Public Administration, in these measures for the improvement of our craft.

The subject is so wide that one cannot pretend to treat it exhaustively. It is rather by the examination of bulk in samples, than by measurement of the whole, that progress may best be made. Moreover, selections made at random might be too discursive, and there must be some coherence and sequence in our thought on this subject. The underlying strain, therefore, which is to run through these notes is the need for some measurements of value derived from expenditure out of rates and taxes. This might be regarded as a kind of straight line in our plan, from which there will be divergence sometimes to the left, and sometimes to the right, but we shall cross this straight line at various points and maintain our course in the same direction as the straight line towards the goal, namely, the best form and method of government at the least cost. ("Efficiency with economy" is too hackneyed a phrase to have much meaning nowadays; it suffers from being a combination of two of the most abstract words in our language.)

A distinguished writer (Mr. John M. Gaus, of the University of Wisconsin) in presenting a study of Research in Public Administration to the Social Science Research Council of the United States,

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classified the problems in Public Administration, from the research standpoint, as follows:—

1. The relation between the policy of formulating groups—presumably located in the legislature—and the administrative departments of government, and the mediating role of the political directors of administration.
2. The staff aids whose function it is to enable the legislature and the political directors of administration to control and administer the government more efficiently. This includes officials charged with the preparation of the budget, financial control, and the financial policy; the recruitment of personnel and the administration of a personnel policy; the purchase and storage of materials, the planning and construction of public works and the publication of public documents.
3. The regulation of the administration of certain functions which is exercised by a central authority over local authorities through various devices.
4. The supply of information and advice to, and the co-ordination of effort of, other units of government by a central government.

There will probably be general agreement that this broad analysis of such a great subject, with so many ramifications, is an excellent one, and the matters with which these notes deal might conveniently (even though they are selected, and not comprehensive) follow something like the same sequence.

It is a sore temptation to begin with the highest branch of government, Parliament itself, and consider the possibilities of a report from a constitutional authority like Sir J. A. R. Marriott—a model of the research worker—on the adjustments which should be made in our application of the theory and practice of public administration where there are three political parties in the State, instead of two. Our system is based on a party in power and a party to oppose. A third party which may be one or the other—in power or in opposition, as circumstances require, is a phenomenon which we have not yet thought out, in its bearing on our administration of public affairs. Being a matter of party politics we must stand aside, but we may take up our consideration of the matter at the point where our administrative problems transcend the interests of any party, and deal first with unemployment.

Unemployment Relief Grants.

There is absolutely no measurement of the value, if any, derived from money spent out of taxes on unemployment grants, either by way of assistance towards schemes providing employment to some

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extent, or by grants to workers who unfortunately (and for the greater number against their own inclinations), since they cannot find work for their pay, must receive it for subsistence without work.

Considering the vast sums which have by this time been expended in relief of men and women unable to find employment, one would have expected to see clear evidence of scientific study of the kind of work to which the public funds could be devoted, with the special object of so employing men and women as to yield assets of real worth in the computation of the national wealth. Is there not a great field for study in this direction? Perhaps the Economic Council appointed by the present Government is now busy on it. Are we so politically minded that we are not prepared to set some of our best thinkers to work to examine carefully the prospects of securing real and tangible benefits for the State by other methods of applying the sums now devoted to the subsistence of men and women without work?

Have we examined the scope within which subsidies on manufactured goods for export may conduce to keep men at work instead of idle? Is there, in short, so violent an opposition to the use of State funds to subsidise industries in various ways and forms, that our taxes must be applied to paying men and women for doing nothing in order that they might live, instead of doing some work? Our object is not so much to argue, as to inquire, and certainly not to deal with party or political policy, but to see whether this great problem of the best use to which to put the yield of taxes in a country very much unemployed, has really been studied. Is this barred as a subject to research, and if so, why?

Zones of Local Government.

Great progress has been made during the last 10 years in the consolidation of the units and functions making up our system of local government. We have abolished many thousands of small parochial areas, formerly for some purposes separate administrative units. We have consolidated the management of important public services by establishing a county as a unit, and in all large towns, known as county boroughs, the town council is for all practical purposes the one agent or instrument by which the democracy governs.

The next stage may well be the extension of the unit for some administrative purposes, into a combination of counties, or counties and county boroughs—*i.e.*, the establishment of regions or zones. Many will remember the introductory paper by Mr. Edgar Ashby, of Birmingham, on this subject, his essay winning the Haldane Prize in 1929.

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It would be foolish to suppose that a regional or zonal unit should (or could) take charge of all public services now carried on by county councils and county borough councils respectively. It would be for selected functions of local government that the larger unit might be called into being—*e.g.*, the construction and maintenance of roads, the maintenance of mental hospitals, the establishment of a united police force, the control of vagrants, and so on. In each case, research might show that for some or all of these purposes some counties are too small as separate units, and it is not unlikely that out of the reconstruction of the old Poor Law service by the Public Assistance Committees of the counties and the large towns, the advantages of the establishment of a county council and the county borough councils within the administrative county as one authority for one or other of these services, may be made abundantly clear. Such a problem calls for the undivided attention of two or three men or women detached for the time being from all other calls upon their time and attention, so that they may investigate closely the costs of maintaining some of these public services in our largest counties, in comparison with the aggregate working costs of a group of the smaller counties, and possibly of some of the smaller county boroughs within those counties.

No one can tell what would be the outcome of a scrutiny comparing the cost of management of such institutions and purposes as the care of the mentally afflicted in a county like Lancashire, and in a group of three or four smaller counties and county boroughs, each having separate responsibility. Lancashire County Council and all the county boroughs in Lancashire are united in an asylums board. In the aggregate they must have in their care a number of institutions and patients as great as many of the smaller counties and county boroughs in other counties put together. Comparison of costs might reveal the saving which could be effected by departing from the present position in which a county council is for all practical purposes a self-contained unit, even though it be in some cases so small a unit for some purposes as to make the unit costs unduly expensive.

A nominee of a Government Department, and one or two skilled men from county and county borough staffs, could work out this case fully.

Purchases for the Purposes of Government.

Most governments, national and local, spend by far the greater part of the yield of taxes or local rates upon the remuneration of officials and the purchase of materials. In the management of the payments for services there has been some tendency, especially since the War, to consider a settlement of national standards of remunera-

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tion. For example, the Desborough Committee settled the rates of pay for the police, and the Burnham Committee established regional scales, or rather grades of pay varying with the different types of districts, for school teachers. But with regard to the remuneration of the rank and file in the State Departments, and in the service of local councils, there are wide disparities. Even if all Government Departments have been brought into line with each other in all respects, there is no co-ordination between them, on the one hand, and county or town councils, on the other, and amongst the latter there is no recognised grade or scale which could be deemed appropriate as a kind of standard.

It may be quite impossible to set up such a standard, and most undesirable to do so, even if it were possible, but such wide differences as at present exist seem to indicate the need for attention, and such action as might correct some of these anomalies could only be taken after a considerable amount of research. Is this not worth special study?

But these matters of remuneration are most controversial, and are only mentioned in passing, as there is a call even more urgent for the study of the present arrangements for the purchase of goods and materials by the State and local governing bodies.

Most excellent work has been done in this country, in some of the State Departments, and in some of the large cities, for centralising the purchase of goods for the service of the Department of State concerned, and for the county or town council as one unit. Departmental buying, however, appears to be still the rule, rather than the exception, so far as the local government world is concerned. A highways department may be purchasing timber and cement on its own specification and contract, while a trading department of the same corporation has its own separate specification and contract, at a separate price. In some classes the timber, cement, or other materials may be absolutely the same in each specification, but may be bought at different prices departmentally, and in others there may be very slight differences in the specification which it may be quite unnecessary to maintain, in order to buy the council's requirements as a whole upon one tender for the aggregated quantities of the various departments. So far as is known, not many local authorities have set on foot research work into the case for and against central purchasing of their aggregated requirements, but once the inquiry has been undertaken, it has almost without exception proved to be economical.

Still greater than all these, however, in its benefits to the public, is the economy to be effected by standardising public services requirements, wherever possible, both for the State and local authorities. In the United States it is amazing to see what has been accomplished

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by the Ministry of Commerce on lines laid down by the then Minister of Commerce, the present President of the United States. As an indication, one might refer to the contents of the average hospital. There are only two types of bed, two or three grades of linen and blankets, three or four standard sets of crockery, cutlery, and so on, standard washing and cleaning utensils; and practically every other item of equipment or appliance, or article used in public institutions, is made to a standard pattern. Such standards have been established by the closest co-operation between selected representatives on the administrative side of the hospital service, both national and local on the one hand, and the representatives of the manufacturers of these articles on the other. The result is that the manufacturers concentrate on a few types, they manufacture in large quantities, and after they have served the public needs, at prices which would surprise British hospital managers, they are in a position with these standard articles to meet the needs of the man in the street. He also gets his goods at the reduced prices made possible by the avoidance of dissipation of capital and productive energy upon every conceivable variation in the goods put into service in countries like ours, where no standardisation to speak of has been effected.

Of all the opportunities for increasing the value derived from every sovereign spent out of taxes and rates, the establishment of standard patterns of articles consumed or used in the public service, seems to be the greatest. It is a gain to the taxpayer and ratepayer, not only in respect of the use to which his payment for rates and taxes is put, but also in the use of his earnings for his private domestic purposes. And from practical examples which are forthcoming in a service like the administration of hospitals, there would surely follow, from research, similar benefits in other branches of public administration. Each department might well be tackled, and one of these days a government will set to work a few selected men and women, directing their attention to each class of goods purchased for public use, to prepare a plan of standardisation which would make sure of the co-operation of bodies like the County Councils' Association, the Association of Municipal Corporations, the Association of Educative Committees, the Urban District Councils' Association, and the Rural District Councils' Association. They are all interested in their several ways, and nothing is more likely to appeal to them as an object of co-operative endeavour, a scheme to make a pound collected from a tax or a rate, go further than it does at present. The standardisation of production of such goods for public use inflicts no injury upon either the manufacturer or the worker. Lower prices of production lead to greater purchases and consumption, and there is really no need for such a distracting diversity in

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the sizes, patterns, and other elements of goods for the public services, which maintain us in the position of keeping great numbers of manufacturers engaged upon the production of small quantities of articles of their own particular make.

That the British nation is well able to carry out such research work, and on it to establish standardisation of production in certain directions, is proved by the great service rendered to the community by the Engineering Standards Committee, which has done for the engineering trade, what might well be done for most other trades, and especially those trades furnishing supplies for public services.

The cost of such research work as this standardisation scheme would involve would be very small in relation to the savings.

Sales by Local Authorities.

The business done by local authorities in the sale of gas, electricity, water, and so on, has for a long time been hampered by diversity in the tariffs, which have made it impossible for the public to form an opinion of much value upon the scale of charges to which they were subject, in comparison with other towns. A considerable advance has been made of late years as a result of the study of tariffs for the supply of electricity to consumers, special committees having been set up for this purpose at various times. Much more, however, remains to be done, before anything like a standard plan of charging for electricity can be recognised as such. The price per unit in the city of "A," upon a flat rate per unit, or upon any one line in the scale of charges, may of course be different from the price per unit in the town of "B" for the same purpose, and still conform to a standard system of charging. Differences in the price of a unit of electricity will be inevitable, as long as local generation and distribution exists. The "National Grid" may eliminate a good many of these differences in course of time, but it is scarcely likely that any tariff system for the supply of electricity would be the same in price per unit all over the country, on uniform methods of charging. Take the lighting of houses and shops, for instance, there is generally a flat rate, and as a choice to the consumer, a two-part tariff. The latter consists of a standing charge to represent the payment for an assured supply, accompanied by a running charge per unit for each unit consumed. Thus the more a consumer takes, the less per unit he pays for electricity. Scarcely any two electricity companies or corporations follow precisely the same lines, in setting up their tariff. Some measure the standing charge upon one basis—*e.g.*, the number of rooms—and some upon other bases, *e.g.*, the area of the rooms, or the annual value of the premises. There is no end to their variety. Much may be done by the simplification of these tariff scales, which

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while leaving each authority to insert the number of pence it will charge for a given service, will lead to a much greater amount of uniformity in the method of charging, and in the bases to which the number of pence per unit is applied.

Similarly, there is extraordinary variety in the manner and extent of charging for the use of meters. Nothing but good to the community could follow from research work in this field, upon which to found proposals for eliminating a great deal of these peculiar local customs and practices.

Much the same opportunity presents itself in the gas world. There is no reason why there should be such a complete contrast as there now is in the methods of charging for electricity on the one hand and gas on the other. A gas undertaking has also a great number of standing charges to bear, and yet nearly every gas undertaking has to work upon a flat rate per thousand cubic feet or per therm. There is no standing charge. If a customer consumes no gas, he pays nothing. Even if there be a sliding scale of charges, it is generally a fixed charge per thousand cubic feet, or per therm. There is no two-part tariff system (speaking generally) for gas supplies, in the sense in which the two-part tariff system is utilised for electricity purposes. Special inducements to consumers to pay a minimum charge for standing costs, whether gas is used or not, plus a running charge per thousand cubic feet, or per therm, might well lead to the same relative increase in gas consumption as that which has taken place in electricity consumption during the last decade. The advancement of the gas business in this way must depend upon the amount of research work that can be applied to it, and gas companies and corporations supplying gas are not unmindful of the merits of the two-part tariff system at the present time. Organised effort would, however, be required to investigate the problem, and to prepare a plan of research leading to the formulation of a system of charge capable of national application, subject always of course to legal powers for that purpose being given by Parliament. Gas companies are at present subject to much more severe control of charges, by old powers conferred in the past by Parliament, than electricity undertakings are.

The National Gas Council is a body well equipped for this line of study, and its research work already disclosed is good example of its activities which other organisations might follow in their own spheres.

Departmental Costs in Local Government.

A local authority in the provision of most of its services and amenities, does not work for profit. Its money is expended as a means of preserving public health, affording education to the youth

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of the country, the maintenance of peace in the streets, the prevention of crime, and in other ways not measurable upon a commercial basis.

Under present conditions, however, there is great difficulty experienced by anyone who tries to measure the value derived from these costs undertaken out of the public purse. The possibilities of research work in this subject are most extensive in their range, and they can only be shown by illustration, as they are too manifold to receive full treatment in these notes.

The Ministry of Health have within the last few years initiated a system of accounting which most of the large towns of the country have taken up, with the intention of bringing out the expense of removing the town's refuse, expressed not simply as a great amount of money paid out of local rates, but upon the unit of a measured quantity of refuse—e.g., per ton, or per 1,000 population, or per 1,000 houses per annum. Notes explaining local circumstances are encouraged, indeed account must always be taken of them in any comparison of local costs of administration of any public services, but the result has undoubtedly been advantageous, and local authorities are now in a position to examine the costs of the removal of refuse in their town in the light of comparable—even if approximate—figures of other towns. Everyone can judge costs per ton, but a cost of many thousands of pounds for the whole work may have little significance.

In the United States, research work has led to the establishment of most extensive formula by which to judge whether a town is well equipped in the public health sense, so that before judging whether the amount spent out of local taxation in those towns upon public health institutions and services, is well represented by values derived, the equipment which that town possesses is revealed. The number of beds available for each class of disease in relation to the number of the population is disclosed, the number of patients per nurse in each of the respective classes of disease, the number and quality of the medical staff, the marginal reserve for contingencies such as epidemic diseases, and so on, are all stated, and then follow the costs of administration under each heading, reduced subsequently, as closely as may be, to costs per appropriate unit, per patient per week, per bed, whether occupied or not, and so on.

Recently research workers in the United States have been considering the establishment of units by which to measure the value derived from expenditure out of local taxes upon the services of the Public Works Department. It may be useful to see the trend of such a movement, as illustrated by a specimen of the statement to which

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consideration is being given, and accordingly it is submitted, as follows:—

Research Work in U.S.A. into the Measurement of Costs and Values of Services of Public Works Department.

Service by Bureaux (1)	Volume of Work 1931 (2)	Unit of Work, 1931 (3)
1. Administration and Accounts	(a) Total No. employed supervised (b) Total funds expended	(a) Per employee of Dept. (b) Per dollar expended by Dept.
2. Planning and Design	(a) No. projects planned (b) Total expenditure involved	(a) Per project of Dept. (b) Per dollar involved
3. Streets and Alleys		
(1) Repair work	No. sq. yds. repaired	Per sq. yd.
(2) Sidewalks	No. sq. ft. laid	Per sq. ft.
(3) Pavement	(a) No. cu. yds. excavated (b) No. ft. of curbing laid (c) No. sq. yds. foundation (d) No. sq. yds. surface	(a) Per cu. yd. (b) Per ft. laid (c) Per sq. yd. (d) Per sq. yd.
4. Sewers		
(1) Maintenance	(a) No. of manholes (b) No. miles pipe maintained	(a) Per manhole (b) Per mile maintained
(2) Construction	(a) No. cu. yds. excavated (b) No. lineal ft. pipe laid (c) No. catch basins installed (d) No. manholes	(a) Per cu. yd. (b) Per lineal ft. (c) Per catch basin (d) Per manhole
5. Refuse Collection		
(1) Refuse removal	Total quantity in tons	Per ton
(2) Refuse disposal	Total quantity in tons	Per ton
6. Street Cleaning		
(1) Regular cleaning	No. curb-miles cleaned during year	Per curb-mile
(2) Snow removal	(a) No. of miles plowed (b) No. cu. yds. removed	(a) Per mile plowed (b) Per cu. yd.
7. Public Buildings		
(1) Cleaning of buildings	No. sq. yds. cleaned	Per sq. yd.
(2) Other building maintenance	No. cu. yds. of building space	Per cu. yd.
8. Standards (or Inspection)		
(1) Examination of plans	Total No. plans examined	Per plan
(2) Inspection of buildings	Total No. building inspections	Per inspection
(3) Plumbing inspection	Total No. plumbing inspections	Per inspection
(4) Elevator inspections	Total No. elevator inspections	Per inspection

In these and in other ways students are devoting themselves to research in the United States and in Canada, upon organised lines, mostly under the ægis of the Universities, but also with the financial and moral support of national and local bodies such as the National Chamber of Commerce, State Taxation Leagues, and privately endowed funds, like the Russell Sage Foundation, the Brookings Institution, and other similar funds for the purpose.

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One can commend in generous terms the contribution to these studies which is made by the various Bureaux of Municipal Research, financed by private enterprise, of which the organisation in New York, Philadelphia, Detroit, and Rochester stand out as the finest examples. We have nothing quite comparable with them in this country, but it seems reasonable to expect that if a few outstanding examples arose of the benefit to the community from research work undertaken into the theory and practices of public administration, the public would not be slow to recognise the possibilities of further advances along the same lines, and would ensure the provision of the men and material necessary for the purpose. The Carnegie Trust could derive full value for the community from an allotment of its means to research work of this kind here.

Existing Facilities for Research.

Research work into problems of public administration is not unknown in this country, and it would be foolish to suggest that the notes now presented contain any elements of novelty, or open up entirely new avenues for exploration.

The Government itself, through its various Departments of State, is constantly devoting itself wholeheartedly to the intensive study of some field of communal enterprise or activity. The country owes a great deal to the Ministry of Health, the Home Office, the Board of Trade, and the Ministry of Transport, not to mention other Departments not so closely associated with local government, for their work in assisting local authorities with the benefit of their knowledge and experience. No man who has spent his life in the local government service could fail to realise the advantages of central government in its effect upon local affairs. Many a time the intrusion of a State Department is resented, and not infrequently there is good cause for alarm, but on balance, even the local councillor who is most anti-bureaucratic, would admit that the local authority gains rather than loses from its contact with the Central Departments.

Organised bodies representing either the elected Councillors or the officials of councils have also played their part in various ways in undertaking research work into some phase or other of local activities common to the whole industry. Mention has been made of the deep and practical interest which is taken in the study of administrative problems by bodies like the County Councils' Association, the Municipal Corporations' Association, the Urban and Rural Districts' Associations, and so on, but unfortunately it is not often that an opportunity arises for bringing the whole power of these bodies together in one united effort.

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In the same way, the organisations of public officials, such as the National Association of Local Government Officers, the Institution of Municipal and County Engineers, the Institution of Electrical Engineers, the Institute of Municipal Treasurers and Accountants, the Cleansing Superintendents, the Society of Medical Officers of Health, and so on, have each in their several ways furnished data which has only been made available by the devotion of their appointed representatives to the duty of investigation and research into special subjects of national interest. In all those cases the time has had to be given to a great extent out of the leisure hours of the officials concerned, and the local government world fully recognises such service. More recently there has been established a Society of Town Clerks, and this is a development from which further assistance may confidently be expected in the provision of men specially trained to deal with problems of public assistance arising in all Departments. But although the word "co-ordination" has by this time acquired an unpleasant reputation, it is co-ordination of effort which seems to be required. Whether this can be brought about best by the power of initiation being vested in a Government Department, or in a University, or in a joint representative body linking up all these organisations, is a matter which it would take too long to discuss. Suffice it to say that there is enough work to hand to warrant attention by competent persons without delay, and that by some means or other, the effort should be made, in the public interest, to develop the study of these problems of government, both national and local, of which many present can give more instances than those comparatively few in number now presented for discussion.

Finally, we are entitled as an Institute of Public Administration, to claim that individually as well as collectively, many of our members are engaged upon research work of great value. Each reader of a paper at a branch meeting generally manages to bring to light as the result of his special study of the subject, some new phase or factor in public administration which can be added to our knowledge of the theory and practice of our profession. There is fame if not fortune awaiting any of our members who cares so to devote himself or herself to research, even in leisure time, as to acquire a reputation as an exceptionally well-informed man or woman on a particular subject. This is an age of specialists, and while everyone may not become the head of a great Department wherein to specialise would be dangerous, a head has always a fondness for a member of the staff who can be relied upon to furnish on request and at once, authoritative information on some branch of the work of a Department. A knowledge simply of ordinary departmental data does not suffice. The range of study has to be wider than that falling within the range of depart-

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mental activities. The search may involve an examination of literature, gathered from all parts of the world. The single-handed student has great achievements to his credit in all branches of business life, and the Institute can make full use of any of its members able and willing to devote themselves to research work in the theory and practice of Public Administration.

Research into the Theory and Practice of Public Administration

By Mr. J. R. HOWARD ROBERTS,
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[*Being a Paper to be discussed at the Summer Conference of the Institute of Public Administration, July, 1931*]

RESEARCH is defined in a modern dictionary as "laborious and natural search as for truth, diligent inquiry or examination in seeking facts or principles, inquiry, scrutiny." To say that the theory and practice of Public Administration had ever had applied to them such attention as is implied in this definition would amount to an over-statement of the facts. It must be conceded that individual thinkers have from time to time written upon various aspects of the matter, Royal Commissions and Departmental Committees have considered and reported upon the subject, but I do not know of a single volume in the English language which could really be said to deal exclusively with it. Why this apparent neglect?

It could be said with equal truth that the subject of industrial or commercial administration had until recent years been regarded with somewhat similar indifference. One is reminded of the story of the farmer with whom a methodical enthusiast remonstrated for keeping no accounts in connection with his poultry farming—his reply was, "Why should I? If the hens *ain't* laying there's nowt to account for, and if they *be* laying there's nowt to worry about." This doctrine of easy going *laissez-faire* may have been good enough in either commercial or public administration in the past, but it will be agreed that it is certainly not good enough for the present, and will be less and less acceptable in the future.

It being therefore beyond doubt that more intensive research is a necessity, how best can it be carried out?

Perhaps it may be thought at first sight that those best able to carry out such investigations are the administrators themselves, but while their co-operation may be essential I doubt if in fact they are best fitted for the task of the actual research. In the first place the legislature has in the past few years increased the burdens upon the

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administrator of public affairs to such an extent that few, if any, of them have the necessary time to devote to the intensive study and investigation which such research demands.

The word research somehow implies an atmosphere of mustiness, ancient tomes, laboratories and midnight oil—it infers a quiet and meditative withdrawal from the hustle and hurly-burly of worldly affairs, of undisturbed prolonged and connected thought—an atmosphere which even the most rabid critic of the public services would scarcely allege to be that in which officials engaged in public administration live and have their being.

By whom then is it right and proper that this research should be carried on? I suggest the answer is—the Universities—provided adequate collaboration takes place between them and those actually engaged in the practice of public administration.

It is satisfactory to observe that already the Universities of London, Liverpool, and Manchester are devoting attention to the study of this subject, and that a Diploma in Public Administration is now capable of being obtained, but research into the matter carries it a step further than anything which the Universities have so far set themselves to do.

Let it be assumed therefore that the Universities are willing to undertake this research, how could it be carried out?

In the first place it is clear that expense will necessarily be incurred in setting up the machinery—the endowment of “chairs” and the payment of those engaged upon the work.

As those principally concerned to benefit by the results of such research are the public at large, it seems fair to suggest that both the Government and local authorities might be called upon to share the cost—their contributions being paid in the one case out of the National Exchequer, and in the other out of levies upon local authorities collected through the medium of their appropriate Associations—the County Council Associations, Association of Municipal Corporations and so on. Having regard to the breadth of the shoulders of those upon whom the burden would fall the cost is not one which should prove a serious obstacle in view of the importance of the results which might well be achieved.

Let us suppose, therefore, that the monies having been found, the Universities are in a position to embark upon their task, how should they proceed?

Perhaps it might have been indicated earlier in this paper that the institution of such research if it is justifiable and necessary at all can only be so justified at the public expense if it is undertaken with the object of evolving either an improved system of public administration or at any rate producing such amendments in specific

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branches of it as will result in increased efficiency in either the national or local services.

The closest collaboration between the theorist and the practical administrator is therefore essential. There are several means by which this can be brought about—one of which is surely through the machinery of the Institute of Public Administration. Who would be better fitted for the Universities to consult? Consider for a moment what the Institute has done and is doing in this respect. It has provided a clearing house in which the experience of administrators can be pooled, a method of tapping as it were the reservoirs of knowledge on a subject which hitherto had remained almost untouched. Opportunity has been afforded not only for the expression of opinions at the conferences of the Institute, but also for the dissemination of such opinions through the medium of the Journal.

Not only has the Institute done valuable public service in this way, but with a view to focusing attention upon the matter of research it has recently decided to set up an Investigation Group of a widely representative character, whose sole purpose will be to consider certain directions in which improvements into the administrative machine might be introduced.

The most recent example of research in this direction is provided by America, where a “Public Administrators Clearing House” has just been formed for the purpose of the collation of information and co-operation with existing research agencies and technical experts. The headquarters are in Chicago, and it is governed by a body of trustees.

I venture to suggest that if so approached the Institute would be able to indicate very definitely the lines upon which such research should be undertaken. Moreover, a close collaboration with the Institute during the process of investigation would help to provide that link between theory and practice which is so very necessary.

Space does not permit more than the merest outline of possible suggestions which the Institute might make—but here at least are a few means of approaching the question:—

(1) A closer study of the methods adopted in other countries; this might well necessitate sending to selected seats of Government, both national and local, men qualified to inquire thoroughly into the subject. I hardly dare suggest that the Institute might go a step further and even suggest the names of the actual emissaries? Mr. Montague Harris of the Ministry of Health has written a most valuable book on this subject which provides an excellent lead as to the direction in which further investigations might proceed.

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(2) A comparative study of modern business and commercial administration from the point of view of seeking to ascertain whether the methods adopted in commercial affairs could not to a greater extent be introduced into public affairs. The Universities having departments of Economics and Commerce would be singularly well fitted to undertake research in this direction. Take for example the University College of Hull, where a diploma can be obtained in Industrial Administration; there a representative Commerce Advisory Committee has been formed, and the course taken by students provides opportunities not only for the study of theory but also for gaining practical experience in administrative methods by periodical visits to well-equipped modern factories.

(3) A comparative study of the methods of administration adopted by the public departments themselves both national and local, with a similar objective, namely, to see whether any interchange of systems could usefully take place.

It might well be that in the event of several of the Universities being entrusted with such research some mutual understanding could be reached whereby a certain branch of inquiry would be undertaken by a particular University and a different branch by another, so as to obviate overlapping.

As the purpose of such research would not primarily be purely educational in its more restricted sense, that is to say, the results achieved would not be utilised only in the teaching of University students but would require to be at the disposal of Parliament and of local authorities, periodical reports upon the matter could be published from time to time, which if they contained definite recommendations could well form the basis upon which important national and local administrative reforms might rest.

I have endeavoured to indicate in very general terms at least one possible line of approach to this important problem, not with a desire to convey the impression that it is the only one, nor do I suggest for a moment that there is anything original in the suggestion, but I am hopeful that the setting forth in definite terms, however inadequate and incomplete, a proposal of this character may at any rate form a basis for discussion which may perhaps be fruitful in bringing forth other suggestions.

Notes

RECENT LEGAL DECISIONS AFFECTING PUBLIC ADMINISTRATION

By F. A. ENEVER, LL.D.

SYNOPSIS

Improvement Schemes : Superannuation Allowance : Unemployment Insurance : The Crown and the Rent Restriction Acts.

I. *Improvement Schemes.*

THE housing scheme litigation as to the legality of an Order of the Minister of Health confirming the Liverpool (Queen Anne Street) Improvement Scheme, 1928, reached its final stage on the 23rd March last in the decision of the House of Lords in *Minister of Health v. The King, ex-parte Yaffe* (*Times*, 24th March, 1931; *Sol. Jol.* LXXV, 232).

Mr. Yaffe, an Estate Agent of Liverpool, was the owner of two houses which it was proposed to acquire compulsorily under the scheme on account of their insanitary condition. He obtained a rule *nisi* for a writ of *certiorari* to quash the Order of the Minister confirming the scheme on the ground that the Minister had no jurisdiction to make the Order, as the scheme which the Order purported to confirm was not an improvement scheme within the meaning of the Housing Act, 1925.

Section 35 of the Housing Act, 1925, empowered local authorities to make schemes for the improvement of unhealthy areas within their district, and Section 40 (3) provided for the confirmation of such schemes by the Minister of Health with or without conditions or modifications. Section 40 (5) enacted that the Order of the Minister, when made, should have effect as if enacted in the Act.

The grounds of Mr. Yaffe's contention that the scheme was not an improvement scheme within the Housing Act, 1925, were (a) that it contained no concrete proposals for the development of the area after acquisition by the Liverpool Corporation; (b) that it did not provide for the rearrangement or reconstruction of any of the streets or houses in the area; (c) that it provided that the land within the area might be sold, leased, or otherwise disposed of as the Council might think fit, and that the estimates which accompanied the scheme

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were insufficient; (d) that the local inquiry, which the Minister caused to be held, was void, because there was no improvement scheme within the meaning of the Act to be inquired into; (e) that the modified scheme, which purported to have been confirmed by the Minister, was not an improvement scheme within the meaning of the Act, since it did not indicate the manner in which the lands were to be developed, and was not accompanied by any lay-out plan; and (f) that a clause purporting to incorporate in the scheme plans to be made subsequently by the Council and approved by the Minister was *ultra vires*.

The Divisional Court, by a majority (Hewart, C.J., and Talbot, J., Swift, J., dissenting) decided that the Order of the Minister was effective. The rule was accordingly discharged. Hewart, C.J., held that the scheme had been so modified in the form in which the Minister confirmed it that if it had originally possessed that form it would not have contravened the Act; that Section 40 (5) of the Act was sufficient to cover irregularities which preceded the making of the Order; and that the Order of the Minister was made in pursuance of the Act. The grounds on which Talbot, J., based his decision were (1) that once the Minister made an Order confirming an improvement scheme it had statutory authority by virtue of Section 40 (5) of the Act, and no question of *ultra vires* could be raised in a court of law; and (2) that an Order confirming a scheme which, as confirmed, was in accordance with the Act could not be quashed merely because the Minister might have been prevented from confirming the scheme as originally submitted to him. Swift, J., in a dissenting judgment, held that the scheme presented to the Minister for confirmation must be such as could be confirmed without modification, and that until such a scheme was prepared the Minister had nothing to consider; that the local authority had submitted no proper scheme to the Minister for confirmation and Section 40 (5) did not operate until Section 40 (3) had been complied with; and that the question whether the Minister had made an Order was one of fact, the Court not being bound to accept the Minister's statement that he had made such an Order.

The Court of Appeal [1930] 2 K.B. 98 (Scrutton, L.J., Greer, L.J., and Slessor, L.J.) reversed the decision of the Divisional Court and held that the Minister's Order under Section 40 (3), if not made in compliance with the statutory conditions was not one which could have statutory effect under Section 40 (5), that the Order in question was *ultra vires* by reason of the statutory conditions not having been complied with, and that therefore a writ of *certiorari* should issue for the purpose of quashing it.

The Minister of Health appealed and the House of Lords by a majority held that, as confirmed, the scheme was good; that the

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appeal should be allowed; and that the judgment of the Divisional Court, although on very different grounds, should be restored.

Lord Dunedin, in giving the judgment of the Court in a long and exhaustive judgment, in which the other Lords, with the exception of Lord Russell of Killowen, agreed, stated that the ground of Mr. Yaffe's complaint was shortly that there was not a scheme put forward in conformity with the requirements of the Act, and that consequently the Minister had nothing to confirm; also that when he did confirm, with modifications, what was put before him, there still was no scheme which conformed to the Act, so that the so-called confirmation of the Minister was *ultra vires*, null, and ought to be quashed. The answer of the Minister and the local authority was that the scheme, such as it was, having been confirmed by the Minister, his Order, by virtue of Section 40 (5), had the effect of an Act of Parliament and could not be inquired into by the Judges in *certiorari* proceedings; also (a) that the scheme was good as put before the Minister, and (b) that if there was any blot in it, that blot had been cured by the Order of the Minister, so that the scheme, as it left his hands, was good, and in conformity with the Act.

Lord Dunedin stated that the first question, and it was a very important and far-reaching one, was whether Section 40 (5) had the effect of preventing any inquiry by way of *certiorari* of an order confirmed by the Minister. It was evident that it was inconceivable that the protection should extend without limit. If the Minister went out of his province altogether, it was repugnant to common sense that the order would be protected, although, if there were an Act of Parliament to that effect, it could not be touched. His Lordship thought that the Court of Appeal was right in refusing to decide the case on the ground taken by the Divisional Court.

Then arose the second question, and it must be apparent that the limits were narrow within which objection might be found. The respondent could only object with success if he could show that the scheme was not such a one as was contemplated and provided for by the Act. It was argued for the respondent that the scheme, as ultimately approved, was not in accordance with the Act; also, and that was the argument that prevailed in the Court of Appeal, that even if that were not so, at least the scheme as sent up to be approved was not in accordance with the Act: that being so the Minister had no right to touch it.

The latter argument depended to a large extent on what view was taken of the expression used in Section 40 (3) of the Act. The section said that the Minister had to consider whether the carrying out of the scheme "either absolutely or subject to conditions or modifications" would be beneficial, and, having so considered, he

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might then by order confirm the scheme "with or without such conditions or modifications, so however that no addition shall be made to the lands proposed in the scheme to be taken compulsorily."

The last words of limitation seemed to his Lordship to show that otherwise the Minister was unfettered in the conditions which he might impose, or modifications he might make. It was not, of course, suggested that if there were something sent up which was really not a scheme at all the Minister could confirm it. The Minister was not the author of the scheme; he was the critic and the finisher of it. In particular he might remove any blot which he found in it as presented, and the word "blot" included any provision which, if left untouched, would not be in conformity with the Act.

The objections urged were (1) that the scheme, as submitted to the Minister, did not contain a lay-out plan; and (2) that in Clause 5 of the scheme, as originally presented, the Council was given untrammelled powers, a defect which the Minister had no right to cure.

As to the first objection, the Court of Appeal largely proceeded on the case of *Rex v. Minister of Health, ex parte Davis*, [1929] 1 K.B. 619. On the merits it was apparent that such case was utterly different from this. In that case the improvement scheme consisted of a power to take an area on the ground that it was insanitary, and then to leave the municipality completely unfettered as to what it was to do with the ground taken. All that the Council was bound to do was to clear the area of buildings, and then "the whole of the cleared area shall be sold, leased, or disposed of as the Council shall think fit," any application to the Minister to devote it to purposes approved by him being a mere alternative at the will of the Council. His Lordship thought that it was an inevitable conclusion that such was not a scheme under the Act. It differed absolutely, however, from the scheme in this case. It was apparent that the ground was to be used for a building scheme, the cost of laying out the new streets and buildings was stated, and it was further stated that there was to be no surplus land.

The real objection urged was that it was a fatal defect in the scheme that it did not, as submitted to the Minister, include the lay-out plan. The expression "a lay-out plan" was nowhere to be found in the statute. What the objector urged was founded on the words of Section 35 (1) (b), "A scheme (hereinafter referred to as an improvement scheme) for the rearrangement and reconstruction of the streets and houses within the area," and the argument was that this meant that one essential of the scheme was a plan for reconstruction. That a plan for reconstruction was not such a plan as could be put in the builder's hands on which he could proceed without further details was apparent, and was indeed excluded by the

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very words of the demand—"a lay-out plan." His Lordship's view was that there was no cut-and-dried form in which a scheme might be propounded. The essentials were that it should clearly show the area which, in its present condition, was treated as the unhealthy area, and that further it should show that the municipality had *bona fide* proposals in sight, but that all particulars and the precise form that reconstruction might take, were left over for the decision of the Minister, who could impose such conditions as he desired.

Applying that view of the facts in the present case, the scheme, as sent to the Minister, not only clearly showed that the cost of reconstruction had been minutely gone into, but also that the whole area was going to be used for reconstruction by the fact that "no surplus land" was expressed, and it was accompanied with all the reports, including the report of the Housing Director, which really gave every detail. The objection finally resolved itself into this: that the book of plans only included the plan of the area, with the properties marked pink and blue, and did not include the plan marked in the report which showed the general lay-out of the new buildings, a plan which could have been asked for by the Minister and was, in fact, seen by the official sent to conduct the inquiry and report to the Minister what he should do. It was clear, therefore, that the Minister was fully aware of the general scheme as to how the cleared area was to be dealt with when he granted the confirmation.

As confirmed, the scheme seemed to his Lordship unassailable. Lord Russell of Killowen, in a dissenting judgment, stated that in his opinion it was impossible to say that documents which contained no indication of any proposed lay-out and disclosed no unequivocal intention to rearrange any streets or to rebuild any houses constituted in any sense "a scheme for the rearrangement and reconstruction of the streets and houses within the area, or of some of such streets or houses." If he was right in that, there never was any "scheme" made or prepared by the local authority; and there was nothing for the Minister to confirm.

The lengthy and expensive litigation has, accordingly, resulted in favour of the Minister of Health. The decision is now only of historic interest, since by the Housing Act, 1930. Sections 35 and 40 of the Act of 1925 are, among others, repealed. Section 7 of the Act of 1930 now governs the procedure to be adopted in dealing with improvement areas. This procedure is on somewhat different lines from that prescribed by the Act of 1925. The local authority may pass a resolution declaring a defined area to be an improvement area, but, before doing so, must satisfy the Minister of Health as regards certain matters. From the point of view of an owner of property

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in an improvement area a veil is drawn across the negotiations which may ensue between the local authority and the Minister of Health, so that the dispute which arose in the present case cannot be repeated.

2. Superannuation Allowance.

A superannuation question, of transitory interest only by reason of the abolition of Boards of Guardians by the Local Government Act, 1929, has been decided in *Hammond v. The Westminster Union* (171 *Law Times*, 145).

Hammond had, before the 6th August, 1914, been employed by the Westminster Union as a night watchman. On that date he was appointed to act as gatekeeper as a substitute for a man who was on war service and continued so to act till the 9th January, 1920, when he was appointed permanently as gatekeeper, the man for whom he was the substitute having been given other employment. He continued to serve till the 12th April, 1929, when, being 70 years of age, he resigned on account of age.

Hammond claimed, on his resignation, to include in his period of service for superannuation purposes the period from 6th August, 1914, to 9th January, 1920. The defendants were ready to accede to this claim, but the Minister of Health refused to sanction the inclusion of the period, on the ground that service as a substitute for an absent servant did not bring the person so substituted within the definition of a servant in Section 19 of the Poor Law Officers' Superannuation Act, 1896.

Section 2 of that Act provided that every officer or servant of a Board of Guardians who should become incapable of discharging the duties of his office by reason of permanent infirmity of body or should have attained 65 years of age should be entitled on resigning to a superannuation allowance during his life according to a scale computed on his length of service. By Section 4 all service, whether continuous or not, by any officer or servant under any authority was to be reckoned for the purpose of the Act. "Servant," by Section 19, was defined to include every servant regularly employed at wages.

Hammond brought an action against the Westminster Union for a declaration that the period in question should be included for the purpose of computing the amount of his superannuation allowance. The Westminster Union ceased to exist on the 1st April, 1930, by virtue of the Local Government Act, 1929, and their functions and liabilities were transferred to the London County Council, who were substituted as defendants to the action.

Farwell, J., held that under the Act of 1896 all service was to be reckoned; that "regularly employed" in Section 19 was con-

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trasted with casual employment; that a man was entitled to superannuation by virtue of his course of service and not on account of holding any particular post; and that Hammond was regularly employed during the period in question and was entitled to have that period reckoned.

By the Local Government Act, 1929, the Poor Law Officers' Superannuation Act, 1896, is repealed, except (*inter alia*) so far as by virtue of the Act of 1929 it continues to apply to transferred officers. By Section 124 of the Act of 1929, where an officer, who has made annual contributions under the 1896 Act, is transferred to the service of any council which has no superannuation scheme, he may elect to remain subject to the provisions of the 1896 Act, as he might also do by notice given within three months after the 1st April, 1930, where the council to which he was transferred had such a scheme. Thereupon the 1896 Act is to continue to apply to him, subject to such modifications as the Minister of Health may by order direct, until there becomes applicable to him a statutory superannuation scheme not less favourable than that provided by Section 124 (1) (a) of the Act of 1929.

3. Unemployment Insurance.

The vexed question of the extent of the exemption from insurability under the Unemployment Insurance Act, 1920, was the subject of a number of actions tried together by Roche, J., in March last, two of which, namely, *London County Council and Edwards and London County Council and Satchell* (75 *Solicitors' Journal*, 247) affected a local authority.

The exemption in question was "employment in domestic service, except where the employed person is employed in any trade or business carried on for the purpose of gain."

Edwards was employed as a foreman baker and Satchell as an ironer by the London County Council at the South Grove Institution.

Roche, J., the judge appointed to try such questions under the Act, in holding that neither of the persons were insurable, stated that with regard to the ironer he had no doubt that such persons had the privilege of belonging to the class engaged in domestic service. The position of a baker was not quite so easy to decide, but even in quite recent times there had been a number of establishments where bakery had been part of the normal domestic service. He believed, therefore, that the baker was also engaged in domestic service and was exempt from insurance.

A similar question affecting two classes of municipal employees of the Corporations of Blackpool, Liverpool, Bournemouth and Manchester (*Times*, 4th March, 1931; 171 *Law Times*, 226) came

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before Roche, J. The employees in the first class were cleaners and lavatory attendants at the tramway depots of the Corporations of Blackpool and Liverpool. His Lordship held that these persons, although employed in domestic service, were insurable under the Act, the tramways being a trade or business, essentially commercial in nature. The employees in the second class were waiters and waitresses employed at the restaurants of the Bournemouth and Manchester Corporations. One of the waitresses was employed at a restaurant forming part of the amenities of Heaton Park, an extensive municipal property, some three miles from Manchester, devoted to the use of the public. Visitors could buy food at cost price there or could bring their own food and be supplied with hot water at a nominal price. In this case Roche, J., held that the restaurant was not carried on for the purpose of gain, and that the waitress was not insurable. In the other cases within the same class, however, the catering businesses of the corporations were held to be carried on with a view to profit; although the object of the corporations was not to make large profits, and any profits made were applied in reduction of rates. This took the cases out of the exemption, and the employees were held to be insurable.

4. *The Crown and the Rent Restriction Acts.*

In the recent case of *Clark v. Downes*; *Clark v. Mawby* (171, *Law Times*, 250, 264) the principle that the Crown is not bound by an Act of Parliament, unless expressly or impliedly bound thereby, was applied to the Rent Restriction Acts.

His Majesty's Office of Works erected, in 1915, certain huts which after 1923 became vacant. The huts were relet in 1924-1925. The Crown sold the property in 1928 and the purchaser leased it in 1929 to the plaintiff, who sought to recover possession against four tenants. The County Court Judge held that two of the premises had become decontrolled and two had not, and that no Order for possession could be made in respect of the latter, despite the question which had been raised whether the property had ever come within the Rent Restriction Acts, it having at the material time belonged to the Crown.

In the Divisional Court this decision was reversed on the grounds (1) that the Crown was not bound by the Rent Acts, and (2) that as the Crown was the owner of the property at the time when the Increase of Rent and Mortgage Interest (Restrictions) Act, 1920, came into force, the freedom from restriction then enjoyed by the property attached to it even after the ownership changed, since the Rent Restriction Acts operated *in rem* and not *in personam*.

This appears to be the first decision of its kind in the English Courts. A comparison of two Scottish decisions, however, points to

a distinction which may be drawn between property held on behalf of the Crown by a Government Department founded on prerogative and Government property held by an administrative body not founded on prerogative. In *Lord Advocate v. Barlow* (1924, *Sc. L.T.* (Sh. Ct.), Rep. 72) the Rent Restriction Acts were held not to be binding on the War Department, while in *Prison Commissioners for Scotland v. Donaldson* (1922, *Sc. L.T.* (Sh. Ct.), Rep. 91) they were held to be binding on the Prison Commissioners. Whether such a distinction would be made in the English Courts one cannot foretell.

Reviews

Public Health Organisation in the Chicago Region. By ROBERT E. STEADMAN, of Syracuse University, N.Y. (University of Chicago Press.)

THIS is one of a series of studies directed by the Social Science Research Committee of the University of Chicago on the subject of the Metropolitan Region of Chicago, which according to the preface "with its 1,800 independent taxing and rule-making bodies is perhaps the most confused jumble of political agencies anywhere to be found." The intention is that each writer should carefully analyse the facts relating to a particular service or group of services, and offer candid and constructive criticism, to the end that, when all the studies have been combined, a basis for amelioration of the situation may be found.

This study deals with health conditions not in the city merely but in the region of Chicago, defined as an area extending 50 miles in every direction from the intersection of State and Madison Streets, with a population of about 5,000,000. The city itself includes about 200 square miles and over 3,000,000 people. The region in the main is included in two states (Illinois and Indiana) and five counties, but parts are included in ten other counties and two additional states. On the whole, the writer's conclusion is that within the City of Chicago health administration is efficient—except as regards tuberculosis. Outside Chicago itself there is a welter of health authorities, whose health administration is in the main far below the standard of Chicago. The health officers are nearly all part-time in these outside areas and poorly paid, and some of them have not even a medical training. The death rates in the outside areas from the principal contagious diseases, notwithstanding the more healthy natural surroundings, are shown to be greater than in Chicago proper, and, as the whole area forms an economic unity, the good work done in Chicago tends to be neutralised by the defective work outside. The facts all point in the writer's opinion to the necessity for centralised control.

In Chicago itself there is a special agency for dealing with tuberculosis which works independently of the Board of Health. It is called the Municipal Tuberculosis Sanatorium. The Board of Directors are appointed by and liable to dismissal by the Mayor. Dr. Steadman finds that the expenditure of this body is steadily

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increasing, while the results are becoming more and more unsatisfactory. He cites figures showing that the number of deaths rises year by year, while the number of cases reported year by year diminishes. This is useful criticism. It may be that a satisfactory explanation of the figures can be given, but the onus rests with the Board to supply it. From an English point of view the separation of the tuberculosis work from the public health service would be regarded as very unsatisfactory. Co-ordination is necessary for an efficient service. The dependence of the Directors upon a political Mayor is also unsatisfactory according to English notions. It might very well tend to extravagance, to expenditure on fine buildings and the more showy side of the work to the neglect of the very necessary spade work which must be carried out in a city like Chicago, especially among the negroes and in the poorer quarters.

As regards the outside areas the author is no doubt right in finding that the defects which exist are due to the machinery of government. Larger administrative areas and whole-time officers with administrative experience are the obvious remedies.

In the London region also there is a very large number of authorities; but there appears to be little positive evidence, with the exception so far as it is relevant to this issue of the Dawes Report on London refuse, that health services are seriously defective. The control of a Central Department and the system of Government grants partly account for the difference in the two cases as these are factors which tend to maintain a certain level of efficiency even in small local authorities. In contrast with English cities the greater freedom from control enjoyed by a large city such as Chicago tends with other factors to produce greater fluctuations in the standard of achievement. If there are lower depths, there are also greater heights. As regards the health services the last report of the Chicago Health Department which has reached this country appears to be a report covering the years 1923, 1924, 1925. As an instance of greater freedom of initiative it may suffice to refer (p. 376 of that report) to a smoke ordinance (or bye-law in our language) made by the Board of Health which prohibits the emission of any dense smoke from chimneys except when the fires are being cleared or new fires being built. No such bye-law could be made in this country without confirmation by the Ministry of Health, and no bye-law so stringent has in fact been made. The report indicates much zeal in enforcing the ordinance, but Dr. Steadman seems to suggest (p. 223) that on the transfer of the work from the Health Commissioner to the "Division of Boiler Inspection" there had been a certain decline in smoke abatement measures. Executive responsibility for ordinary health services centres in the Health Commissioner,

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a man with medical training who apparently holds office as a rule for a comparatively short period and is liable to be dismissed by the Mayor. Thus we find in Dr. Steadman's book a reference to a Health Commissioner of Chicago who had done excellent work and had led a successful revolt against a reactionary law passed by the rural legislators of the State of Illinois—for which he was awarded the *Chicago Daily News* prize of \$1,000 for having "performed the most beneficial action or done the most beautiful thing for humanity" during the year. Later in the book we read that he was summarily dismissed by Mayor Thompson. He was later appointed first to one and then to another office in the region apparently beyond the control of the Mayor. The incident suggests that if the Mayor is to continue to have powers of this kind there is some advantage in the existence of independent authorities.

In America, as in this country, the one solution which has hitherto been found for the regional problem, when urgent need arises in regard to a particular service, is the *ad hoc* authority. There are several of these in the Chicago region, whose existence in Dr. Steadman's view merely adds to the chaos of authorities. An *ad hoc* authority to deal with sewerage was set up in 1889, viz., the Chicago Sanitary District. It serves a population of nearly 4,000,000. There are nine paid trustees elected by the people of the district for 6 years; borrowing is limited to 5 per cent. assessed valuation and is subject to referendum. Serious misuse of public funds by this authority is stated by Dr. Steadman to have been definitely proved, a statement confirmed by "Government of Metropolitan Areas in the United States," a book with much elaborate detail recently published by the National Municipal League. According to this last-mentioned book "the creation of this organization had tended to complicate the government of Chicago. The addition of one more political unit has made it more difficult for the citizens to follow the work of the local government." Whatever minor irregularities there may have been, there can be little doubt that the record of this authority is a record of one of the most remarkable events in the history of sanitary engineering. The sewage of Chicago before the authority was set up was discharged to Lake Michigan, from which the water supply of the city was derived (as it still is) by pipes under the lake extending to intakes some miles out. The sanitary authority reversed the flow of the Chicago River and sent the sewage down to the watershed of the Mississippi; in order to dilute the sewage and carry it away they also made a canal to carry down to the Mississippi a volume of water from the lake, nearly 10,000 cubic feet per second, that is about four times the normal flow of the Thames over Teddington Weir. These works were completed about 1900. Litigation in the Supreme Court

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immediately ensued between the State of Missouri on the one hand and the State of Illinois and the Sanitary District on the other hand, on the ground of pollution of the Mississippi and danger to the water supply of St. Louis. Several hundreds of thousands of dollars were expended in costs. The finding was that the evidence did not at that time support the allegations. Some time afterwards further proceedings arose at the instance of other states and authorities bordering on the great lakes on the ground that the level of the water in the lakes was being substantially lowered. These proceedings cover a long period. As a result the sanitary district were directed to purify the sewage, and the quantities of water allowed to be taken from the lake were limited. According to the judgment of the Supreme Court of 14th April, 1930, the quantity to be taken is reduced to 6,500 cubic feet per second, and must by the end of 1938 be limited to 1,500 cubic feet per second—in addition to "domestic pumpage," i.e., water taken by the City of Chicago for domestic supplies. This last item in 1930 was at the rate of 1,700 cubic feet per second. (These figures are taken from the judgment of the court and the semi-annual report of the sanitary district made to the court on 1st January, 1931.) The domestic pumpage is equivalent to 918,000,000 gallons per day—a consumption¹ of about 250-300 gallons per day per head of population. The quantity of water distributed in 1929-30 by the London Metropolitan Water Board to a much larger population was 277,467,700 gallons, equal to a little over 37 gallons per head (see 11th Annual Report of the Ministry of Health). This amazing difference is not easy to explain. It may be mentioned that the report of the Chicago Board of Health for 1924 states that a total of 824,000,000 gallons per day was pumped by the City of Chicago in that year, "equivalent to a per capita consumption of 278 gallons per day." In 1925 the total estimated volume of sewage and trade wastes of the sanitary district was 835,000,000 gallons daily.

The last report of the sanitary district to the court shows that the estimated cost of the full programme of sewage disposal work is \$179,241,224 of which \$90,316,061 represents expenditure on completed work. The method of treatment is mainly the activated sludge method. The operations are probably on a scale larger than any hitherto known in any country.

Capital expenditure of something like \$70,000,000 appears to have been incurred in the operations prior to 1900—not of course included in the above figures.

In spite of this colossal expenditure it appears from Dr. Steadman's

¹ Exact figures as to population supplied are not available. The water area does not coincide with the Sanitary District.

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book (published in November, 1930) that the problem of sewerage and water supply in the Chicago region is far from being solved, because there are authorities, particularly in the State of Indiana, who, with the full concurrence of that State, still discharge their sewage and trade wastes untreated into the lake. The water supply of authorities who cannot afford the expense of taking water from intakes far out in the lake beyond the zone of pollution is liable to contamination. As long ago as April, 1927, the United States Public Health Service published a pamphlet showing that the sources of water supply of certain areas in the region were contaminated, that even elaborate purification plant would not make the supply satisfactory, and that complete treatment of the sewage and trade wastes discharged to the lake was imperative.

A study of Dr. Steadman's book suggests (1) that a comparison of conditions between large metropolitan centres in different countries is very difficult but very stimulating, and (2) that it would be well if the work of officials in this country as in America were supplemented by research work at the universities devoted to the larger problems of local government.

W. R.

Local Administration: Finance and Accounts. By A. CARSON ROBERTS. (Harrison and Sons, Limited.) 3 guineas. 560 pp.

THERE is no greater authority on local accounting than the writer of this volume, formerly in charge of the audit of accounts of Metropolitan Local Authorities and adviser to the Ministry of Health. The book is directed primarily to the financial officers of local authorities, and they cannot but find in it a wealth of experienced guidance. With the enormous growth of local functions, accounting has become increasingly important. The great range and complication of local accounts is not generally appreciated, though the constant grouses about rates show that the burden of them is sharply felt, too often without recognising adequately the services which are received in return. The difference made by very good accounting and even good accounting amounts to many thousands of pounds a year to any authority of size. There is no branch of local service which shows greater advances in recent years, and there is still room and enough for more. It is not simply that there are so many more accounts, so very much larger sums to be handled. Improved technique, such as adequate costing, indicates how accounting may increasingly be made the handmaiden of efficiency and, not least, of economy. The old days when it was enough to keep accurate accounts are gone, just as the old system has departed when auditing was mainly a test of honesty. This test is as necessary as ever (and one of the points

emphasised by Mr. Carson Roberts is that honesty is to be secured more by proper accounting arrangements than by policeman checks, needful as these are), but this is but the beginning of the way of efficiency. Incidentally, the author prefers the system of "Government" audit and gives sound grounds for his preference. Very much has been done in recent years, especially by the Institution of Municipal Treasurers and Accountants in raising the standard of the financial officers of local authorities. The closer co-operation between the Ministry of Health and local authorities and their officers has ministered to the same end. The present volume will be an added help. The book is in two parts—"local finance" and "local accounts." The author intends to issue the first part in a separate volume "because it is of at least as much interest to those who serve on Finance Committees as to those who prepare or audit the accounts." But it is very detailed, well so far for the purpose for which it has been written. What would be better for the "directors," for those who serve on Finance Committees, would be a short simple volume setting out the principles of financial control and how it may wisely be exercised by the controlling body. For this also there is room and need.

N.

Recent Books

(Some important recent additions to the Library of the London School of Economics.¹)

UNITED KINGDOM.

(a) *About England and other English-speaking Countries.*

Allen (Carlton Kemp).

Bureaucracy triumphant.

Bureaucracy triumphant; appendices. I—Administrative consultation of the judiciary. II—Revenue appeals. III—Bibliography of administrative law. IV—Legislative output.

London. 5s. Oxford University Press.

Bellerby (J. R.).

A contributive society.

The economic system; the foundations of the system; strength and defects; industrial motive; the education of motive; a contributive society.

London. 7s. 6d. Education Services.

British Science Guild. Committee on the Position of the Technical Expert in the Public Services and Industry.

A report on the scientific and professional staffs in the public services and industry.

London. British Science Guild.

Copland (D. B.).

Credit and currency control, with special reference to Australia.

Melbourne. 5s. University Press.

Hallis (Frederick).

Corporate personality; a study in jurisprudence.

London. 17s. 6d. Oxford University Press.

Harris (Percy A.).

London and its government.

London. 7s. 6d. Dent.

Hearnshaw (F. J. C.) ed.

The social and political ideas of some representative thinkers of the revolutionary era (1760-1820).

London. 15s. Harrap.

Marquand (H. A.).

The dynamics of industrial combination.

London. 12s. 6d. Longman's.

¹ NOTE.—Arrangements have been made with the London School of Economics and Political Science for members of the Institute to use the above Library. Those wishing to do so should make application to the Secretary of the Institute, Palace Chambers, Bridge Street, S.W.1.

Recent Books

Newman (Sir George).

Health and social evolution.

How England learned to control disease; the contribution of the eighteenth century; health problems of the modern period; the coming of democracy and the new spirit; modern collective humanism at work; gains and losses in national health.

London. 4s. 6d. Allen and Unwin.

Newsholme (Sir Arthur).

International studies on the relation between the private and official practice of medicine with special reference to the prevention of disease.

London. 16s. Allen and Unwin.

Nixon (John).

The authentic history of Civil Service superannuation.

London. 1s. P. S. King.

Odegard (Peter).

The American public mind.

London. 10s. 6d. Hopkinson.

Percy (Lord Eustace).

Democracy on trial; a preface to an industrial policy.

Democracy on trial; the crisis of Western civilization; the Executive; the Legislature; finance and economy; the condition of industry; unemployment and education; the independent citizen in town and country; Empire; a party postscript.

London. 7s. 6d. J. Lane.

Potter (Harold).

An introduction to the history of equity and its courts.

London. 10s. 6d. Sweet & Maxwell.

Robertson (Dennis H.).

Economic fragments.

Articles on economic theory; essays in the art of contemporary economic history; articles and addresses economic in subject matter, but more "popular" in form; reviews, of which the majority deal with large projects of social change, a few with the apologies of champions of the existing order, the remainder with the economics of war.

London. 10s. 6d. P. S. King.

Silverman (H. A.).

Taxation, its incidence and effects.

London. 7s. 6d. Macmillan.

Smith (Frank).

A history of English elementary education. 1760-1902.

London. 10s. 6d. University Press.

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- United Kingdom. Board of Education.
Report of the Consultative Committee on the Primary School.
H.M.S.O. 2s. 6d.
- Warburton (W. H.).
The history of trade union organisation in the North Staffordshire potteries, with an introduction by R. H. Tawney.
London. 10s. 6d. Allen and Unwin.

(b) *About Foreign Countries.*

- Bevan (Aneurin), Strachey (E. J.) and Strauss (George).
What we saw in Russia.
Introductory; the Five-Years' Plan; economic developments; conditions of life; conclusion.
London. 1s. L. V. Woolf.
- Lodge (Eleanor C.).
Sully, Colbert and Turgot; a chapter in French economic history.
London. 7s. 6d. Methuen.
- Mirsky (D. S.).
Russia: a social history, ed. by C. G. Seligman.
London. 25s. Cresset Press.

UNITED STATES OF AMERICA.

- Bureau of Railway Economics.
An economic survey of inland water transportation in the United States.
Bureau of Railway Economics. Washington.
- Colton (Ethan T.).
The X Y Z of Communism.
New York. 12s. 6d. Macmillan.
- Curtis (Roy Emerson).
The trusts and economic control; a book of materials.
A book of materials dealing with the growth of great business enterprises and the concentration of control in economic affairs.
New York. 20s. McGraw Hill Bank Co.
- Gill (Conrad) and Valentine (C. W.).
Government and people; an introduction to the study of citizenship. 2nd edn.
London. 8s. 6d. Methuen.
- Love (Robert A.).
Federal financing; a study of methods employed by the Treasury in its borrowing operations.
New York. Columbia University.

Recent Books

- Metcalf (Henry C.) ed.
Business leadership.
London. 10s. 6d. Pitman's.
- Morison (Samuel Eliot) and Commager (Henry Steele).
The growth of the American Republic.
A history of the United States from 1760 to the World War.
New York. 25s. Oxford University Press.
- National Industrial Conference Board, Inc.
Rationalization of German industry.
New York. 13s. 6d. National Industrial Conference.
- Page (Kirby) ed.
A new economic order.
1. World movements; pro and con. 2. Ways of transforming the present competitive system into a co-operative order; a series of articles by various writers.
New York. 13s. 6d. Harcourt, Brace & Co.
- Smith (Edwin S.).
Reducing seasonal unemployment; the experience of American manufacturing concerns.
New York. 15s. McGraw Hill Bank Co.
- Spahr (Walter Earl).
The Federal Reserve system and the control of credit.
New York. 7s. 6d. Macmillan.
- United States. Department of Commerce. Trade Promotion Series, No. 105.
The coal industry of the world, with special reference to international trade in coal, by H. M. Hoar.
Washington. 1 dollar.
- Zink (Harold).
City bosses in the United States; a study of twenty municipal bosses.
Durham, N. Carolina. 18s. Duke University Press.

FRANCE.

- Brethe de la Grassaye (Jean).
Le syndicalisme; l'organisation professionnelle et l'état.
Paris. 30.60 francs. Recueil Sirey.
- Chicos (Stefan).
La préparation du budget et le contrôle budgétaire aux Etats-Unis d'Amérique.
Paris. Gamber.
- Digard (Henri).
Les assurances sociales et l'agriculture (en France).
Paris. 15.30 francs. Recueil Sirey.

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- Gargas (S.).
Les finances municipales aux Pays-Bas.
Paris. 8.50 francs. M. Giard.
- Grigaut (Maurice).
Histoire du travail et des travailleurs (en France).
Paris. 12.75 francs. Delagrave.
- Lachapelle (Georges).
Le crédit public; amortissements et conversions de la dette (en France).
Paris. 21.25 francs. Berger-Levrault.
- Landry (A.).
L'hygiène publique en France.
Paris. 12.75 francs. Alcan.
- Parde (Maurice).
Les chemins de fer français depuis 1927.
Paris. 8.50 francs. Gonthies-Villars.
- Ricard (J. D.).
Droit et jurisprudence en matière de postes, télégraphes, téléphones.
1. Le service public, l'administration et le personnel des P.T.T.
Paris. 68 francs. Recueil Sirey.
- Weulersse (G.).
Les Physiocrates.
Paris. 25.50 francs. G. Doin.

GERMANY.

- Bach (Heinrich).
Reichsbank und Reichsfinanzen in den Jahren 1876-1923 (unter Mitberücksichtigung der preussischen Finanzen).
Leipzig. Schwarzenberg & Schumann.
- Boldt (Walter and Gerhard).
Stadtverfassung und Stadtverwaltung in Preussen.
Berlin. 9s. G. Stilke.
- Deutsche Eisenbahn-Gesellschaft.
Entwicklungszahlen aus der deutschen Eisenbahnstatistik seit. Deutsche. 1s. Eisenbahn-Gesellschaft.
- Diethelm (Ernst).
Die Verstaatlichung der schweizerischen Privatbahnen durch den Bund und ihre finanziellen Auswirkungen auf die schweizerischen Bundesbahn von 1903-1913.
Lachen. Gutenberg.
- Hartung (Fritz) and Leisegang (Hans).
Berufsbeamtentum, Volksstaat und Ethik: zwei Vorträge.
Leipzig. 1s. 6d. F. Meiner.

Recent Books

- Heering (Wilhelm).
Staatsbürgertum and Staatsbürgerkunde.
Potsdam. 10s. Voggenreits.
- Horkenbach (Cuno) ed.
Das deutsche Reich vom 1918 bis heute.
Berlin. 13s. 6d. Press Wirtschaft u. Politik.
- Kull (Ernst).
Die sozialreformerische Arbeiterbewegung in der Schweiz: die römischkatholische, die evangelische-soziale und die liberal-nationale Arbeiterbewegung.
Zürich. Orell-Füssle.
- Lassar (Gerhard).
Juristische Studienreform: ein Beitrag zum Bildungsproblem der Gegenwart.
Berlin. 2s. 8d. Heymann.
- Löffler (Eugen).
Das öffentliche Bildungswesen in Deutschland.
Berlin. 6s. Mittler & Sohn.
- Moll (Bruno).
Die Finanzpolitik der Reichsbahn: dargestellt auf Grund der Ergebnisse der ersten Periode des Bestehens der Deutschen Reichsbahn-Gesellschaft (1924-29).
Leipzig. 4s. 6d. Akademische Verlagsgesellschaft.
- Roeschli (Gustav).
Die staatliche Exportkreditversicherung: ein Mittel der Exportförderung.
Zürich. Gutzwiller.
- Sarter (Adolf) and Kittel (Theodor).
Die deutsche Reichsbahngesellschaft: ihr Aufbau und ihr Wirken: 3rd edn.
Berlin. 11s. 3d. Verlagsgesellschaft.
- Schacht (Hjalmar).
Das Ende der Reparationen. 1931.
Oldenburg. 7s. G. Stalin.
- Schiele (G. W.).
Goldstandard und Arbeitslosigkeit.
Gebauer. 1s. 6d. Schwetschlee.
- Schubert (Fr.), and others.
40 Jahre Deutschen Postverband, 1890-1930.
Berlin. 6s. 6d.
- Steinwart (F.).
Das kleine Staatsbürger-Lexikon: Ratgeber in allen staatsbürgerlichen Angelegenheiten.
Münster in Westf. 3s. A. Vollmer.

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OTHER COUNTRIES.

Philips (August).

Economic aspects of reparations and inter-allied debts.

Leyden. Van Doesburgh.

Singh (Gurmukh Nihal).

Indian States and British India: their future relations, with ten appendices containing many documents, two tables and a map.

Benares. Nand. Keshore.

The Story of London Transport

By Sir ROBERT DONALD, G.B.E., LL.D.

THE story of transport in London is a record of lost opportunities, mischievous delays, and wasteful disorganisation. The problem has always been ahead of the spasmodic and piecemeal attempts to solve it; well-meant efforts of timid reformers have been either side-tracked or blocked. The failure to grapple with this question of locomotion in a growing community, which involved the direct loss of many millions, inflicted untold injury to trade and caused appalling discomfort to inhabitants, can be traced to several main causes: the assertion of private and vested interests over public welfare, the hostility to new developments, the free play of individualism, and the absence of a central controlling authority.

Delay and muddle alternated during the half-century which witnessed the evolution of modern transport. There was continual interference by Parliament, and it was impossible to mobilise public opinion on one side or the other as local government did not advance in the metropolitan area with the growth of the community. There was complete absence of central regulation and authority over the traffic area.

The earliest public vehicle which plied for hire in London was the hackney coach—not named after the parish of Hackney: it is a corruption of the French word *hacquenée*, which was applied to horses let on hire. It was welcomed by the public but provoked precisely the same difficulties which have harassed London for three centuries: vested interests cried out and received sympathetic attention. The watermen had a monopoly of traffic between the City and Westminster: in those days the Thames was London's chief highway. In 1623 the watermen declared war upon the coaches, described as "the caterpillar swarm of hirelings," and referred to as "this infernal swarm of trade spillers which have so overrun the land that we can get no living upon the water." It was suggested that the coaches would shake the life out of passengers who risked themselves in these new-fangled vehicles, besides ruining the rough

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surface of the streets—the charge brought against the motor omnibus in later years. The hackney coaches continued to run with considerable success and had regular ranks along the streets of the City and between it and Westminster. The opposition succeeded in getting Charles I to issue a proclamation in 1635 “to restrain the multitude and promiscuous use of coaches about London and Westminster.” The conditions under which they were permitted to remain made the trade quite impossible. At the same time the King granted one of his court favourites, Sir Francis Duncombe, a monopoly in hiring Sedan chairs, which did not find sufficient favour with the public to become known as “Duncombes.”

It was not until 1654 that there was some kind of regulation of hackney coaches: a tax of £1 a year had to be paid to the Court of Aldermen for every vehicle. Another attempt in 1660 was made to kill the coach business by proclamation, but it survived, and in the following year the tax was increased to £5 a year on the ground that the coaches were “very destructive to the paving stones”; the money was ear-marked for the repair and cleansing of the roads—the original road fund. Later, in 1694, a licence of £50 was imposed on each hackney coach, together with an annual tax of £4. The licence, however, was good for 21 years. Parliament limited the number of hackney coaches to 700, and thereby created a restricted monopoly. The coaches were very comfortable vehicles in which to travel. They were pretentious, and many which had belonged to noble owners bore coats-of-arms.

Incidentally a party of masked women who hired a coach in 1694 were responsible when they went for a drive, owing to their disgraceful behaviour, for the exclusion of public vehicles from Hyde Park.

The Crown and Parliament and the Lords of the Privy Council continued to interfere with and endeavour to regulate the hackney coach business for 100 years. Regulation of fares was introduced in 1711. Fares were fixed at 1s. for a mile and a half—minimum fare and distance. In order to safeguard the passengers it was suggested that each hackney coach should have a pedometer visible to the passengers—a forerunner of the taximeter. The hackney coach, although restricted in numbers, continued to be the chief means of public transport in London to well into the nineteenth century. These picturesque vehicles were the popular means of transport in the days of Dickens, and they put up a stiff fight against the next newcomers, cabs and omnibuses, just as the watermen did against them.

The horse omnibuses and cabs made their appearance in the London streets only six years apart. The cabs began running for hire in 1829, and it was several years before hackney coach drivers

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were permitted to transfer to cabs. They were small one-horse vehicles carrying two passengers, with the driver perched on a seat which jutted out on the offside. Omnibuses appeared six years later. Both these new services declared war on the hackney coach, but it took twenty years to run it off the streets. Both the cab and the omnibus were in name and in fact of French origin. Cab is the first syllable of the French word *Cabriolet de place*, a vehicle which had run in Paris for many years before it was adapted for London. It catered for the luxury traffic. A new cab was invented by Mr. William Boulnois, father of Mr. Edmund Boulnois, who was a member of the L.C.C. and of Parliament—a quaint vehicle constructed to carry two passengers facing each other, with the driver seated on the top. It was never named the “Boul,” although “Duolius” and the “minibus” were applied to it. It had but a short existence. The real original London cab came a few years later in the hansom, named after the inventor, Joseph Aloysius Hansom, who was financed by Boulnois. This development was followed by the four-wheeled cab, the growler, as it was latterly termed. From the four-wheeler Lord Brougham evolved a superior type of private carriage—the brougham.

Another type of cab, known as the tribus—carrying three passengers, with entrance from the rear and the driver on the offside—appeared, but was not a success.

More important from the point of view of public service was the omnibus. Small ‘buses had been tried in Paris two hundred years before they were known in London. The omnibus, with a carrying capacity of 18 passengers inside, was a brilliant conception of a French banker, one Jacques Laffitte. It carried passengers across Paris for a fare of twopence halfpenny, this beginning the system of uniformity of fares within a fixed area, which has continued in Paris ever since and has been adopted in other cities. The new vehicle got its name, by an accident, from a man named Baudry. A grocer in Nantes named Omnes put a sign up over his shop “Omnes Omnibus,” conveying the intimation that he sold all groceries. Baudry applied the name to the new vehicle, and omnibus took the place of the *carrosse a cinq sous*. An Englishman named George Shillibeer, who had a business in Paris as a coach-builder, brought the omnibus to London and tried to change its name to the Shillibeer. The Shillibeer ‘bus appeared in the streets in 1829; it was drawn by three horses and carried 22 passengers inside. There was the usual opposition to the new vehicles, instigated by the owners of hackney coaches and the stage coaches, which were employed for long-distance traffic. The ‘buses, it was said, disturbed quiet neighbourhoods, they wore out the streets, and they were a

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menace to the respectable hackney coach. These early 'buses had clocks inside and were quite comfortable vehicles.

An Act was passed for regulating public vehicles, permitting them to pick up and set down passengers in the streets; they were licensed. Shillibeer, before he got his business going well, was faced with a new competitor, railways. He widened his interest by establishing an undertaker's business on the French system of fixed charges for graded classes of funerals. He made money but lost his chance of immortality as the word Shillibeer could not survive as a conveyance for the living when it was applied to a funereal coach for the dead.

New 'bus lines were started without regard to existing services. They ran where they chose, and concentrated on the business routes, so that the new vehicles did not open up new traffic. There was no regulation. 'Buses were identified by names such as the Caledonian and the Favourite. The people of London at this period were beginning to appreciate the value of time; rapid transit was a new factor in their lives. They welcomed therefore the new means of quicker travel—shortening the time spent between suburban homes and city offices—which was offered by railways.

This new competitor appeared in 1836. The first railway, the London and Greenwich, was opened in that year. The 'buses took up the challenge and the railways had to meet the competition of a regular service of twenty 'buses between the City and Greenwich.

Competition between 'bus and train continued from that time onward—more trains, more 'buses. The rapid expansion of London in the middle of the nineteenth century saved the 'buses from bankruptcy, but they were forced to organise bigger units and enter into combinations to safeguard their commercial position.

The London General Omnibus Company, which was established in 1856, was an amalgamation of a number of small lines. It introduced an improved 'bus with seats on the roof. Originally it was a French company, but was reconstructed as an English company in 1858 with a capital of £700,000. Following French practice, the company introduced "correspondence" tickets. It soon had about 600 buses running, and was the predominant popular transport business in London. Its position was not seriously challenged until 1880, when the London Road Car Company was established.

In the meantime Bills continued to be introduced for the regulation of traffic, but in a haphazard way, without system or plan. In 1899 it was proposed to give the police power to regulate traffic by excluding 'buses from congested streets. Strong public opinion was shown against the Bill and it was withdrawn.

The presence of the 'buses in the streets not constructed for the accommodation of such traffic caused congestion. Within the area

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of the City of London no special provision had been made for through public passenger vehicles. Structurally the City belonged to the Middle Ages, when the concentration of inhabitants within walls was a natural protection. Its streets were equal to the traffic which belonged to the City proper, as its chief outlet for commerce and communication with the outside world was by water. When, however, London expanded beyond the City in all directions a new situation had to be faced. As the Royal Commission report of 1905 said:—

"The great extent to which in early days the river could be, and was, used as a means of communication from east to west prevented attention being given to the lay-out of new streets and roads as London stretched out beyond its original limits."

It is almost incredible to think that Parliament failed to recognize this new problem and denied the inhabitants of Greater London the organs of self-government which would have enabled them to express their opinion. Within the memory of some of our oldest inhabitants London was still in the grips of chaotic mediævalism. Outside the City everything was confusion and disorganization. A multitude of small and corrupt authorities had no unity or cohesion. More than two million people were inarticulate. The construction, paving, and lighting of streets were controlled by small parochial units. In the Strand, for instance, London's main thoroughfare outside the City, there existed between what is now Northumberland Street and Temple Bar, a distance only of 1,336 yards, seven different paving boards. Similar conditions existed all over the growing metropolitan area. Territorial families and speculative builders laid out blocks of new streets regardless of a general plan. Parliament was at last forced to give attention to the relationship of traffic to street improvements, but practically nothing was done to remedy conditions until the Metropolitan Board of Works was established in 1855.

Parliament, however, was not idle in the meantime. Railways had invaded London and something had to be done. Between 1836 and 1855 there was a succession of Select Committees and Royal Commissions, all reporting and recommending. The appointment of one Select Committee invariably led to another to report on its predecessor's recommendations. Each of these committees took evidence and issued voluminous reports. All were differently constituted, all groped in the dark, seeking a solution of the problem and finding no way out, because they had not courage or foresight to grapple with fundamental principles of policy and administration.

To vary the monotony of Select Committees Parliament in 1842 appointed a Royal Commission which issued a number of reports. Before it ceased reporting a Select Committee was appointed in 1846

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money to passengers by keeping these new facilities distinct physical entities, a characteristic which was accentuated when horse haulage disappeared, by the use of different systems of traction.

There was a terrific fight between the 'buses and the tramways, both using the streets to serve the same districts. The 'buses had one advantage: they could run their services from north to south over the bridges. Tramways were prohibited from crossing the central bridges, and the London County Council, after it acquired the tramways, was prevented from running 'buses to feed and connect tramway lines as the companies had done—a circumstance which intensified competition between the two methods of transport.

Parliament for many years refused to sanction tramways to cross over Westminster and Blackfriars bridges and to run along the Thames Embankment.

It was notorious at the time that the owners of the horse 'buses and the suppliers of fodder enlisted the sympathy of the Irish Nationalists in their cause and that these Members, to whom tramways across Westminster Bridge might have been a great personal convenience, voted solidly against them. On more than one occasion they joined hands with the House of Lords in resenting the intrusion of the modern tramway near the sacred precincts of Parliament, although antiquated 'buses were tolerated.

The County Council acquired fifteen tramway undertakings and placed them under one authority, but there was no linking up. Most of them remained disjointed. There were thirteen separate ownerships in the metropolitan traffic area outside the County of London; not only were different systems of traction maintained and, until recent years, no through services established, but in some cases a few yards separated the rails of two systems, so that passengers had to change cars.

There was, however, no stopping mechanical progress and the imperious demands of traffic, and those two factors had to be united.

Two revolutions in mechanical transport took place about the same time. Horse tramways had been replaced by electric traction by 1900; this meant an improvement, not an addition to facilities. The more revolutionary development was the introduction of the "tube"—the deep underground system which is admirably adapted for London. The first line, the City and South London, was authorised in 1884, but was not opened until 1890. The system even in its early crude form was greatly appreciated by the public. As usual there was no organized plan. Separate companies scrambled for power, thinking they had discovered a new gold mine in boring through the London clay. They pegged out claims in rivalry and

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Parliament sanctioned them. The main railways saw the potentialities of the new system and took a hand. But there was no linking up either between the different lines or with the main railways. There were numerous dead ends. There was no association with surface transport. In fact one more system of disjointed means of transport was added to the disconnected, disorganized tramways, 'buses, and suburban railways. Parliament discouraged the union of the tubes, and the vested interests of property settled where stations were to be constructed. The old short-sighted idea remained that railways were detrimental to property, in spite of the numerous object lessons of how land alongside railways in Outer London had appreciated a hundredfold in value.

The most notorious case was that of the Aldwych tube, which became a sort of switchback, starting at a dead end near Holborn and coming to a standstill in the Strand. It was projected to go from Hornsey to the Strand and under the river to form a useful link with the south side, but it was feared that it would damage the ground landlords' interests and was prohibited.

The London public paid heavily for this short-sighted policy. There were now four heterogeneous disjointed systems of transport in the metropolitan area. The mobility of the population was increasing rapidly, mechanical science was advancing, but progress was not reflected in the London transport system. Parliament, however, was not idle. There was another epidemic of Select Committees and Royal Commissions—mountains of evidence and futile reports. A Joint Committee of both Houses in 1901 concerned itself with the growth of "tubes" and recommended that they should be subject, within certain limits, to the control of a central authority; it thought that the City Corporation and the County Council should be allowed to construct lines to thinly populated neighbourhoods, thereby relieving congestion, and also recommended that the Board of Trade should hold an inquiry into the system of locomotion by means of tubes. As nothing happened next year the London County Council invited the Government to establish a central controlling authority. It kept on worrying the Government with resolutions, petitions, and deputations, and a Royal Commission on London Traffic was appointed. This Commission conducted a most comprehensive and thorough investigation into all aspects of the problem which no one can fully understand without studying its report issued in 1905. Its main specific recommendation was in favour of setting up a London Traffic Board. While the Commission was sitting new railway schemes were authorised without regard to the need of a comprehensive plan for a complete co-ordinated system of transport. The Commission's recommendations lay dormant, and after three

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to see what could be done to keep railways within limits—to keep them away from Central London. Railway builders thought they could serve the people of London better if they shortened the time which it took them to travel from their homes to central districts near their places of business. Little importance was attached by Parliament and Committees to short-distance traffic; it “would not justify the sacrifice of property or the expenditure that would be involved in the placing of termini in crowded centres.” Railways, be it observed, were treated in 1840 just as the motor coaches are treated in 1931, and kept to what was then almost the outer area of the metropolis. This Committee, however, had a spark of vision and admitted that in future railways might be permitted to penetrate within the forbidden central area, and looked forward to the time when a comprehensive uniform plan of street improvements and railway development would be carried out under the authority of some department working in conjunction with local authorities. The Committee also recognized the advantage of railways being connected with the docks, provided always that in order to reach the docks the route made a wide circuit outside the central limits.

Simultaneously two improvements actually took place. One was the passage of the Metropolis Management Act of 1855, which set up the Metropolitan Board of Works, a body constituted by members nominated from numerous vestries and local boards. Primarily it was set up for the purpose of constructing main sewers and secondly to make street improvements. A Select Committee in 1855 which was appointed to inquire into “the state and condition of the several communications to and in the metropolis, including bridges over the Thames,” reported:—

“Your Committee find that the requirements of the existing traffic of the metropolis far exceed the present facilities provided for it; that the rapid increase of that traffic is constantly adding to the amount of inconvenience and loss thus caused; that, enormous as the increase has been, it is and must continue to be kept seriously in check by the want of means for its natural expansion; and that it has become indispensable to make provision in this respect for the future on a great and comprehensive scale, and with the least possible delay.”

The Committee, while it thought that Parliament could do little, favoured the construction of an inner circle and an outer circle of railways in conjunction with the construction of new streets by the Metropolitan Board of Works. It also considered that some scheme of internal railway communication for the metropolis should be under one management. The Committee recognized that what was required was a central authority with wide powers of jurisdiction, but did not

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indicate how that authority should be constituted. There was another Select Committee appointed in 1863 which objected to the appointment of a Commission “to consider the whole subject of making railways in the metropolis,” because “such a Commission would involve delay.” Every Committee and Commission professed to be in a hurry—but only to pass on the problem unsolved to some other body. This particular Committee recommended the construction of inner and outer circles and that there should be an expert examination of all schemes “which brought forward haphazard fashion should be considered and dealt with independently of each other.” A Joint Committee in 1864 went over some of the same ground covered by the previous Select Committee. It made a definite recommendation for an inner and outer circle—not finally completed until twenty years later, but the Metropolitan and the Metropolitan District Railway was constructed as a result of this recommendation. The District Railway played a great part in building up the western suburbs; for its first eleven years it made no return on its ordinary capital of £2,250,000. The next thirty-seven years was the period of phenomenal growth of the suburbs served by the line, but the company did not participate in the progress as its shareholders obtained no return. Not until the Underground group brought the Metropolitan District into its pooling arrangement did the company pay a dividend, and then it was only possible because a large measure of co-ordination had been effected with tramways and motor ‘buses under the same ownership. No better illustration could be given of the advantages of common ownership, as at no time previously had the public using the line enjoyed cheaper or better transport.

While branches of main line railways—nine of them entered London, all carrying suburban traffic—were operated without any association with each other, ‘buses continued to increase, giving unco-ordinated services. London grew without plan, chiefly alongside the railways, as in the case of the Metropolitan District, so that a map of the suburban area looked like the spokes of a great wheel.

Railways and ‘buses were supplemented in 1870 by another unco-ordinated system of transport—tramways. From a legislative point of view, tramways are simpler. Their construction was regulated by the Tramways Act of 1870, which granted tramways owned by the companies a limited life of twenty-one years, after which time the local authority could acquire them without compensation. Tramway companies, each independent of each other, sprang up in the usual haphazard way and ran on routes irrespective of whether these routes had a good service of ‘buses, trains, or not. They were not linked up with each other or with any other service. In fact, the policy was well suited to cause inconvenience, loss of time and

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years the County Council tried to wake up the Government, but as a report of the Council states, "Nothing tangible resulted from these efforts of the Council apart from the appointment of other Select Committees, who were instructed to inquire into the same problem."

Tube railways continued to extend. One would have thought, with the glaring object lessons of mistaken policy in the past, that Parliament would have insisted that the tube railways, which were obviously destined to develop on a big scale, should be planned as a homogeneous system. Nothing of the sort. Each line was treated as a separate unit; there was no co-ordination with other railways or with surface transport. Each company had its own bit of line starting at one dead end and ending at another. When the railways were built originally they provided separate stations at one point so that passengers would be put to as much inconvenience as possible.

Many millions have been spent in making amends for past mistakes; in joining two stations which were only a few yards apart, linking up one line with another, co-ordinating tubes with surface transport, making extensions to open up new areas and carrying out other improvements.

Parliament kept up its succession of Select Committees and Royal Commissions, but recommendations were never translated into action. Public authorities failed to prepare the way towards a solution; baulked by a conflict of interests, their own pusillanimity and failure to appreciate the needs of the public or how to serve them. It was left to private enterprise to lead the way.

Little progress had been made in the comfort and speed of London transport facilities; no advance took place in co-ordination until American experts, with American money, entered the field. Rapid transit had reached its highest state of efficiency in American cities, and it was not surprising that leaders in this business should have been attracted to London. This vast aggregation of human beings—the greatest within a given area in the world—was suffering from the lack of efficient organisation in its transport facilities. Here was a unique opportunity for creating order out of chaos and reaping a reward for enterprise. The invaders discovered that it was a costly, tedious, and slow business. These scientific transport experts brought courage, experience, and vast resources to bear on the problem. They showed Londoners the way to the promised land but they failed to realize their ideals. The pioneer of the transformation was Mr. C. I. Yerkes, who became interested in London traffic at a time—about 1900—when the outlook was obscure. Associated with him was the banking house of Speyer. First came the electrification of the Underground and of tramways, then the purchase of tubes and the construction of new tubes. The Underground Electric Rail-

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ways Company, which became the nucleus of a scheme of unification, was formed in 1902. Later more tube railways were bought, and the London General Omnibus system added to the combine. Unification of ownership was making headway, but not co-ordination. There was not even financial unification. It was not until Lord Ashfield, who joined the Underground as General Manager in 1907, became the head of the undertaking that real effective unification took place. Then began the final stage in the evolution of London transport, which led up logically and irresistibly to the present position.

(To be continued)

Research in Public Administration

[Comments made at the Oxford Conference of the Institute of Public Administration, July, 1931]

By LUTHER GULICK, M.A., Ph.D.

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CARLYLE attributes social advance to cataclysm and heroes, to great need and great leaders. In more homely terms, some have said "sweet are the uses of adversity." People of affairs have phrased it, "necessity is the mother of invention."

This is equally true in the field of public administration. It is perhaps for this reason that one finds in the United States the first extensive development of research into the practice and theory of public administration. In the United States we have had, and still have the "great need," the "adversity," and the "cataclysm," in governmental affairs. And since no heroes have come forward to save us, we have turned rather to invention.

We are depending on two new social tools: *factual research* in administration and *public education* in governmental affairs. Of course, no one would claim that either of these are completely novel inventions, but it does seem that the method and the extent of use make something of a contribution to the advancement of the science of government.

As this is not the occasion to enter upon a discussion of public education in government, I turn directly to the question of research into the theory and practice of public administration, the subject of the papers before us.

Classification of "Research."

We have come to distinguish three kinds of governmental research.

First, the collection and classification of great masses of known or easily accessible facts, laws, and practices. The purpose is to have material ready at hand for any interested person, especially for the administrator and the student of administration. An illustration would be the mass of annual and special reports and other printed and manuscript documents brought together in the Municipal

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Reference Library in New York City or in the Library at the University of California. Similar collections in more specialized fields, and often more extensive within those limits, are maintained at a score of bureaus of municipal research, municipal reference libraries, legislative drafting bureaus, leagues of municipalities, research departments of professional associations, specialized foundations, certain departments of central and local governments, and in the departments of universities where such subjects as public health administration are taught.

To cover in this way the entire field of national or local administration at all adequately requires a large and diversified staff. But except for the general direction of the work, this staff need not be composed of specially trained or experienced technicians. It is none the less an expensive project because of its extent.

The justification of this type of governmental research, if it needs one, is first, its immense practical value in helping administrators and their advisors to deal promptly with a given situation in the light of mankind's most recent experience; and second, the indispensable place of a broad factual foundation in any constructive thinking.

Second, there is what we term "applied research" the detailed and reasonably comprehensive study of a problem in a given area to serve as the basis for immediate action. This kind of research has come to be known as a "survey" or "administrative audit" and may be quite narrow in its scope, dealing with such a question as the street signs of Cleveland, Ohio, or it may be quite broad, as in the recent survey of the governmental organization and administration of the state and county governments of Virginia.

Work of this character must be done by an experienced staff. If the field covered is at all extensive, or has important ramifications, the staff must be made up of a well-integrated group including specialists who know the techniques, such as engineering, town planning, accounting, public health, education, and welfare work, as well as men whose primary attention centres on organization, finance, personnel, management, and the broader questions of economics and social policy. Nor is it enough that such men be consulted individually; they must participate in the final work and thinking, and themselves fuse their ideas together to form the final program. Applied research requires team work of the highest order, and is immensely facilitated if the nucleus of such a staff is enabled to work together continuously on a series of problems over a period of years, as has been done in a number of bureaus of governmental research.

And finally, there is what is termed "scientific research" in which the effort is made to develop new facts, to discover underlying principles to help in understanding and solving the continually

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changing problems of modern government. This type of research ranges all the way from the study of the tools and techniques of government, such as labour-saving devices, efficiency ratings, and unit costs, to the examination of the general framework and operation of services and types of government, and to the exploration of the more fundamental principles of public administration involving such questions as the place of the technician in democratic government and the problems of centralization and decentralization, of integration and devolution, of the evolution of governmental functions and organization, and the relation of public control to social institutions. It reaches from the details of management into the philosophy of society.

I must hasten to add that we do not claim to have made any great contributions to the science of public administration as yet through the so-called "scientific research." I think it is recognized, however, that we are now making and observing important experiments especially in state and local government and that at least contributions are being made to the tools and techniques of administration. Original ideas of this sort and new philosophical syntheses must, of course, depend upon insights and flashes of thought in the minds of creative individuals. They are not induced by organization in public administration any more than in other realms of human experience.

Comments on the Papers

There are a number of matters in the papers of Mr. Howard Roberts¹ and Mr. Arthur Collins¹ which deserve special comment. I would endorse especially Mr. Roberts' statement on page 351: "The closest collaboration between the theorist and the practical administrator is therefore essential," and his suggestion at the top of page 352 that modern business and commercial administration has contributions to offer in our field.

The most significant thing to me in Mr. Collins' paper is the insistence upon the need for developing unit measurements of value derived from the services of government. This is probably the most important objective of governmental research at the present time in the United States. We are endeavouring to develop meaningful units of cost, units of work, and units of accomplishment or result.

Notes on Research

In your discussion of plans for the establishment of more extensive factual research in public administration, it may be useful to note here certain of the attitudes and procedures suggested by our experience. May I summarize them in this way:—

¹ See PUBLIC ADMINISTRATION, July, 1931.

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1. Suspend judgment. Doubt every institution and process, especially if it is sanctified by tradition. Place a monumental question mark after every statement and opinion, particularly if it is accepted universally by the highest authorities. Most traditions and most authorities are eventually wrong in this changing world.

2. Collect all relevant facts, without too great insistence on relevancy—they may fit in at a later stage. In gathering materials, distrust committees, discussion, disputation, and "evidence." Such material is always secondary and usually coloured. Deal directly and personally with the raw facts; live in the material. And in most of the larger or more complicated fields of work where new continents of fact must be brought to light, do not depend upon the single individual, but organize a properly staffed research group to deal with the problem.

3. Be reasonably practical; do not delay too long. No matter how much material you gather, nor how long you wait, you will never complete any piece of research to your own satisfaction. For this very reason, nothing can be considered as final, though the practical implications and the stimulation to others growing from the presentation of a report will justify its publication. This suggestion is contradictory, and is intended to be contradictory, to the two preceding paragraphs.

4. When any change is made in governmental organization, method or policy, especially as the result of research, watch the experiment; test the result with all of the methods and measurements available.

5. Give attention to the training of research workers. Research in administration requires certain traits of curiosity and ingenuity, a definite mental attitude, honesty and keen observation, and operating knowledge of certain techniques for dealing with various kinds of facts, figures and opinions, and some acquaintance with the adjacent professional arts and sciences. Most of these can be acquired or developed by training and experience. The proper place for this training is in connection with the research organizations themselves, but training must be definitely recognized, and not allowed to become purely accidental.

6. Do not monopolize research in public administration. A research organization will tend to be dominated by a single strong personality or a single idea. It is not safe to assume, at this pioneer stage of development, that all the wisdom and all the inventiveness can be corralled in one place, or brought to proper development under one controlling man or idea.

7. And finally may I suggest that we recognize the importance of time in the principles of administration; that we have our own doc-

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trine of relativity; that we do not search too hard for universal principles equally applicable for the Romans, for the English national government of to-day, and the rural districts of Australia, and that we see if there are developmental or evolutionary sequences through which different peoples and different governmental units pass, powerfully affecting the application of the various principles of administration.

I cannot close without expressing to you my very genuine appreciation of the opportunity you have extended to me to participate in this conference again after an absence of four years. I can only assure you that in the development of your plans for governmental research here in England, we in the United States will be happy to co-operate to the full extent of our capacity.

The City Manager in the United States

By LOUIS BROWNLOW

Director of the recently organized Public Administration Clearing House, Chicago, and Lecturer in the Faculty of Political Science, University of Chicago

AS I sit down to write this article on the City Manager in the United States I find my first thought to be one of regret that I am not master of some genuinely American language—Choctaw, for instance. For were I able to write this article in Choctaw I have no doubt that the Editor would find some accomplished scholar who would translate it into acceptable English, and that it then would find a prosperity among English readers that nothing written in American-English can hope to enjoy. Unless, indeed, it be found necessary actually to translate this MSS. About two years ago I wrote an article about Radburn, an American variant of Sir Ebenezer Howard's Garden City scheme, and sent it on to be published in the International Town Planning Bulletin. I knew, of course, that it would have to be translated into French and German for that journal's tri-lingual uses, but I confess that I was slightly startled when I discovered that the able editors had found it necessary also to render it into English. It was not that my peculiarly Missourian idea of grammar was so much the obstacle, although it was a factor, but the chief stumbling-block was that words we use here in America have not the same meaning that the same words have in England, and that this divergence of accepted connotations is especially noticeable among the locutions currently employed in the field of local government.

I emphasize this difficulty of terminology because I think it has a great deal to do with the confusion that sometimes arises when we, English and Americans, try to talk together about local government. We frequently are betrayed by our possession of a common tongue into a too-facile acceptance of the notion that we accord to certain words and phrases a common connotation, when, as a matter of fact, as soon as we leave the ordinary fields of general usage and stray into the by-paths of the technological vocabulary our meanings may vary widely.

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Not only is that true as between Englishman and American, but it is true also as among the people of our several forty-eight states. That is the reason that any generalization about any phase of local government in American must be read subject to so many qualifications that, were they all set out, the text would be drowned in the footnotes. For there are the forty-eight separate sovereign states, each of them with a written constitution and a legislature which are the final and supreme arbiters of local government; and there is the federal government—the government of the United States—which has nothing whatsoever to do with local government outside the capital city of Washington. A complex of superimposed governments, indeed, but not an hierarchy.

Already I am using the word "government" in its American sense, as expressing the totality of the public domain, power, purpose, use, interest and concern together with the cardinal factor of continuity. It is in this sense that the American thinks of his "government" at Washington as meaning all the geographical areas under the flag, and yet there never has been but one government at Washington—that one government is there now—and so far as he can think there never can be but one. So, too, the citizen of Nebraska thinks of his state "government" as the continuous and continuing geographical and political entity which cannot change, no matter what changes may be made in its methods and its processes.

So, therefore, to the American mind, the government itself being immutable and indestructible, there is no inherent objection to a change in the form of the machinery of government if that experiment promises any particular good. At any rate that is true of local government considered from the view-point of the municipality, and it is something necessarily to be kept in mind if we are to understand the rise of the city manager. (May I be permitted but one of the thousand qualifications that ought here to be made? There is nothing that would prevent any one of the forty-eight states from adopting a responsible parliamentary government, or changing from a bi-cameral to a uni-cameral legislature, except custom, and yet every suggestion for such a change has been frowned upon as being in some vague manner non-republican.)

Essentially the rise of the city manager is not a political phenomenon in itself. It is merely the manifestation in municipal government of the increasing recognition of the technological revolution. It is only another example of replacement of the amateur by the technician. But it represents such a radical change in American notions of local self-government that it cannot be properly evaluated without consideration of its constitutional, historical and traditional backgrounds.

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All of the forty-eight states cling to the pattern of the federal government, and are fixed in their devotion to Montesquieu's notion of the eternal separation of the three co-ordinate branches of the executive, the legislative and the judicial; and yet in each of the forty-eight states there is a different notion of the place and power of the local governmental unit within the framework of the state. Despite these forty-eight different schemes, there is a prevailing feeling throughout the United States, expressed in varying degrees in the several states, that local governmental units are entitled to exercise autonomous power to an extent unknown in any other civilized nation.

This introduces in addition to the constitutional complexity the further confusion of the play of tradition, and in particular the tradition of the frontier. This tradition, in its turn, is subject to regional variations innumerable in fact but of three principal types; the Northern deriving from Massachusetts, the Southern deriving from Virginia, and the Latin deriving from Louisiana and Texas. These three types have been intermingled in the melting-pot of Westward Ho! but still they are discernible, and without some consideration of them we cannot hope to understand local government in America.

Leaving out of the picture the Latin strain (which has little effect on purely municipal institutions), let us consider the Northern and Southern types of frontier tradition. In New England the people settled in villages, were forced by their isolation to contrive their own local order, and as they lived and worked close together they chose, quite naturally, the extreme democratic method. They assembled in town-meeting, chose their officials from amongst themselves, made their own local laws, and the like. That was the pure democracy of the New England town—if we be not too meticulous and impute to impurity the exclusion from that democratic haven of the propertyless, women, Quakers, Church of England men, and such inconsiderables. In Virginia and the South the settlements were in plantations. Again forced by isolation to order their own affairs, what more natural than that a group of planters select from their number representatives to take the long ride to the meeting-place of the county gentry? So here arose the republican scheme of representative government. Even it was thought of as being democratic however, for could not every gentleman of property freely vote—provided, of course, he was Church of England?

In the North this led to the adoption of the town as the unit of local government; in the South to the county. In the North waves of reform obtained the franchise for the non-propertied, for the Quakers and the Episcopalians, and as population increased divided and sub-divided the towns again and again to make the town-meeting

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more workable, only to abandon this process for the delegation of the powers of the democratic town-meeting to certain representative and popularly chosen selectmen.

In the South the same essential processes resulted in the enfranchisement of people not gentlemen, Presbyterians and other Dissenters, and the admission of mechanics (non-slave) to the polls. As the population increased the county became too large to concern itself with all local affairs. New counties were spawned, but there had to be an end to that, and, in time, a village, town and city autonomy was granted.

These tendencies toward a mixing of the democratic and republican schemes were hastened during the third quarter of the eighteenth century by the increasing local hostility toward the central governments of the thirteen colonies and by the increasing inter-colonial communication and correspondence that were leading to the revolution and independence, accomplished in the last quarter of that century.

But whatever centralized control of local governmental units might naturally have come about by rational processes at the time of the Independence of the Thirteen States was defeated by the intensity of the democratic jealousies then stirring all the world, while the formation of the Union under the Constitution involved such a sacrifice of state autonomy as to induce the states themselves, under pressure of popular opinion, to leave the local governmental areas almost quite free of central guidance.

This practically absolute independence of the municipality is something that sometimes proves difficult for the European student of local government to realize. In constitutional law, the municipal corporation has only such powers as are delegated to it by charter granted by the state legislature; but only in rare instances and only to a very limited extent has this superior power elected to retain even supervisory administrative control over local governments. It is almost literally true that a city or town in the United States is an utterly independent governmental unit, having no administrative connection with any superior governmental authority, and having no relations of official character with any other local government. This independence is grounded much more solidly in the democratic tradition than in constitutional law, as is proved by the fact that during the last decade, as a new movement for state control of municipal finances has manifested itself in several states, the cities, towns and villages are found in embattled league against the encroachment on their "fundamental rights."

Despite this extreme democratic tendency, observable at the beginning and not now less formidable, during the first half-century

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of the Republic, both North and South, but more markedly in the South, under the influence of the political lag and of habit, local government actually was left to the care and concern of the gentry, the clergy, the men of property, and the merchants. In New England the town-meeting chose their leaders from the local aristocracy, and in Virginia, when cities arose, the gentlemen chose the council, the council chose the aldermen, and the aldermen chose the mayor.

The Revolution and the ensuing Independence set up a brand-new juristic conception of the state. The very name of "subject" disappeared and the "citizen" took his place. Government was to have no authority over the individual. Indeed, if it had not been for what now seem to have been fortunate epidemics of cholera and smallpox in Philadelphia, the judges of the Revolutionary period would perhaps have left no constitutional support for any regulatory function of local government. As it is now, when a city would make a regulatory ordinance it must solemnly relate it to the public health and safety in order to make sure to find that tiny loophole in the freedom of the citizen which a Philadelphia jurist inadvertently made in his fright of the smallpox.

But the frontier of the Colonial Days was done. The English gentlemen who fought a civil war with the King's ministers while avowing their devotion as loyal subjects of His Majesty, had launched, perhaps with some lingering regrets, a new nation. The frontier swept over the Appalachians. Its job was the winning of the West.

The first quarter of the nineteenth century went by. Old wine was being drunk from new bottles, and the new forms were being worked by the old gentlemen of the governing class. The bitter feuds of Jefferson and Hamilton were, so far as the captains went, the internecine strife of the equestrian patricians. Government was of the people (the Constitution said that), and for the people (every statesman said that), but not yet by the people (they were notoriously unfit).

The frontier rolled over the mountains, its lines straight westward for the setting sun. Gentlemen, for the most part, stayed at home. The propertied class stayed, too. Land-hungry home-seekers, jail-dodging debtors, adventurers of every sort, all seekers for wealth and for freedom, poured through the mountain passes and along the lake shore levels to dispossess the aborigines and carve new empires.

One thing never survived that mountain crossing. It was the word "gentleman" in its political connotation. Another thing died in the first skirmish with the Indians. It was the notion that any one person in the community is more competent than any other person to discharge the duties of a local government official. When the first stockade was built, democracy found that it could choose for itself

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the leader who could best fend against the foes of savage and of beast. And, fatally, it was found that this leader sometimes couldn't read or write, so that literacy and leadership were divorced in the democratic mind.

In the South, from Virginia, there went the county. In the North, from New England, went the township, grouped into counties for the administration of the judicial arm, perhaps, but still in essence the New England town. In the South there was soon the collision with the Spanish *alcalde*; in the North, but on less friendly terms, with the French *prefect*, and some adaptation of ideas, together with much mixing of the southern and northern strains, giving Ohio, for instance, a full complement of both traditions.

It must be remembered that these were no colonials setting forth to add new territory to that of the new nation. They were seeking new territory for themselves. They flirted with Spain and with France. They had ideas of new kingdoms and empires, as well as of new republics, of their own. Even before the dawn of the nineteenth century Kentucky and Tennessee had been admitted to the Union as full partners of the original Thirteen States, partly because that was the only way to keep them in the United States at all. One of the first United States senators from Tennessee was expelled from that sometime-to-be-august body for treasonable conversations with the Spanish looking to the attachment of Tennessee, even then a state, to the realm of His Most Catholic Majesty.

Another of the first United States senators from Tennessee resigned in disgust of the too-English, too-Bourbon, too-centralizing Federal Government, and went back west to Tennessee to do two things. The first was to keep the west American. The second was to make America western. He did both. His name was Andrew Jackson.

Without Andrew Jackson there might have been another leader who would have impressed the frontier mould upon the American democracy. Doubtless the event was determined by all those things that do determine history and but use human beings as puppets. But was he leader of men or was he merely marionette dancing as economic forces pulled the strings, it was Andrew Jackson who gave to America Jacksonian democracy with all its good and all its evil. And when, at the beginning of the second quarter of the nineteenth century, Jackson came back from the West and assumed the leadership of the nation, the colonial English gentlemen who had captained the American ship of state retired into history.

In the period, roughly, 1824-1830, property qualifications for voting were abolished in nearly all the states, voting for presidential electors by the people instead of by the legislators was established in all of the states but one, and the doctrine was proclaimed that officials

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should be chosen by the direct vote of the people, and that any voter was competent to fulfil the duties of any office to which he might be elected. Jackson became President, and Senator Marcy uttered that famous phrasing of another of the cardinal tenets of the new democracy: "To the victors belong the spoils."

(Perhaps just here it ought to be remembered that at about the same time in the Mother Country there were stirrings of democratic discontent. I have heard that even there patronage and perquisites and sinecures in odd places survived even the Reform Bill that so ruthlessly deprived certain dukes of their rotten boroughs.)

Certainly here began the radical divergence of the institutions of local government that make it so difficult for British and Americans to understand each other's problems. The difficulty is increased by the fact that for the most part in both countries the old names were kept in use. You were to use the nominal forms for building an entirely new structure of local government on the foundation of the Poor Law to meet the technological demands of the intensive industrial revolution at work in a country of small and limited area definitely oriented toward a central government which itself was destined to enjoy a long period of relatively stable power, peace, and prosperity—from Lord John Russell (or, at any rate, from Sir Robert Peel) to Mr. Asquith. We were to use these same nominal forms for building an entirely new structure of local government on the foundation of public health and safety to meet the same technological demands of the same industrial revolution, but here at work in a country of huge and expanding area, requiring these demands to be interpreted at one and the same time in the light of the local needs of places in every stage of civilization, and this in a country where there was no orientation toward one central government but toward an increasing number of state governments which themselves threw aside all responsibility for local administration, and in a nation where there was long to be no peace, no recognized power, and for the most part poverty rather than prosperity; the period of the clashes between the industrial north and the agrarian south, between free labour and slave, between rich east and poor west, between the United States on the one hand and France, Spain, Great Britain, and Mexico on the other, for the possession of large parts of the West and the Pacific littoral. More than one of these clashes produced war—one of them the greatest war but one, perhaps, the world has even seen.

Through all this, north, south and west, marched triumphantly on the spirit of Andrew Jackson. For every public ill the Jacksonian democracy had a ready remedy. If a local government officer were recreant to his trust, the sole and only thing to do was to select his successor at the polls. It did not seem irrelevant that the qualifica-

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tions for candidature had nothing to do with the duties of the position to be filled; it seemed enough to inquire what is his politics; is he Republican or Democrat; will he, if elected, choose as his subordinates none but good party men; will he be faithful and true to do these things in their diminishing order of importance: (1) Obey the order of the party bosses and prefer the bosses of the opposition party to the mugwump; (2) be true to his friends by helping them in business and keeping them out of trouble; (3) be generous in charitable deeds; (4) make no parade of educational qualifications, if any; (5) devote a reasonable modicum of time to the duties of the office, but not let it interfere with his political and social activities; (6) be honest; (7) be competent?

So we went to the polls and elected our local governmental officials. We elected not only members of town and city councils and county governing boards that way. In the same manner did we choose the mayor in the city and the sheriff and the clerk of the courts and the registrar of deeds and all the country officers. In like manner did we select the judges to sit upon our benches and the prosecuting attorneys to represent the state in criminal proceedings before them. In the states, too, not only did we elect the governor and the members of the legislature and the judges, but we elected as well the secretary of state and the state treasurer and the state auditor and the state superintendent of schools and the members of the state railroad and warehouse commissions—a catalogue of thousands if anyone were to name them all. Only in the federal government was the principle of popular election of the executive and administrative officers confined to one person—the President—and that had been extended to include him, despite the plain intent of the Constitution.

Again regretting that I cannot here set down the thousand-and-one qualifications that accuracy would require to amend these sweeping generalities, the third quarter of the nineteenth century witnessed the corroding effect of the Civil War on local government and the intensification of the partisan spirit, with patriotism (in Dr. Samuel Johnson's definition) becoming identified with party. In this state of affairs, with the tremendous growth of cities, with the high tides of immigration, with the building of railroads, with the rapid extension of the industrial system and its accompanying economic and social phenomena, with the development of public utilities, such as gas, electricity, tramways, and telephones, there ensued an era of corruption in municipal government that was equalled only by incompetence of management in the same field.

The fourth quarter of the nineteenth century was characterized by self-examination and a revival of public spirit. It was the muck-raking era. The most significant rake that was applied to that huge

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and fetid mass was that of James Bryce. Few of his fellow-countrymen seem to realize the influence of Bryce's work on local government in the United States. His bald and bold characterization of municipal government as America's most conspicuous failure was an indictment, a conviction and a challenge all in one. In Lord Bryce's train there were scores of lesser writers, and in the train of the writers hundreds of crusading reformers who, each in his separate city, sought to clean house.

But for the most part these reformers placed their faith in the ballot box; usually they thought that all that was necessary was to oust one set of officials and elect another set, and they were frequently as loath as the bosses themselves to forsake party standards or seek a change in the structure of the local governmental machine.

Despite the dragging influence of this political lag, toward the end of the century there began to arise advocates of non-partisan elections for local governmental officers, and, even more important, perhaps, the so-called Short Ballot movement, which, in the field of local government, meant the reduction of the number of administrative officers elected by the people, the concentration of greater power and more responsibility in the elected mayor, and the appointment by the mayor of his principal subordinates. Accompanying this movement was the development of the Civil Service Reform, which sought to establish the merit system and assure tenure during good behaviour for the subordinate employees of the cities.

During these same years in another field of local government, which in the American mind is as separate from ordinary municipal concerns as if it were on another planet, great progress was being made in the effort to oust the evil influence of partisan politics. This other field was the public school system. For the most part organized on a school district basis and taking form from the democratic New England town-meeting, the schools were too close and too dear to the people to permit them long to be grossly mismanaged. Gradually educational requirements for employment as teachers were introduced, strengthened, generalized. State grants-in-aid in many of the states provided a means not only for more centralized control, but for standards of performance. Definite training in state institutions was required as a pre-qualification for employment in the schools. As the schools improved under this regimen, the people at the polls willingly granted more and more money for their development and expansion.

It was also in the public school systems (public school in America means the free school) that the technological iconoclasts demolished another idol of American democracy. Even before the days of Jack-

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son, and certainly ever after, it was held in America to be a prime article of democratic faith that no person other than a *bonâ fide* resident citizen should be permitted to serve the community in any public place. A member of Congress must not only be a citizen of the state, as the Constitution requires, but he also must be a resident of the district which he represents. So on down through all the line of local officers. A public office was regarded as a perquisite of the local electors. But in the school systems, teachers first, then principals, then superintendents, were employed solely because of their special qualifications for the work they were to do. An odd thing happened: people began to distrust the locally resident superintendent of schools, and actually to prefer the imported article! Then, too, in the school systems the party scheme of elections was gradually abandoned. Persons were selected to serve as members of school boards because of their demonstrated public spirit and devotion. The result was that in the school systems, with a few notable exceptions, of course, "politics" was barred.

So far from having a direct effect upon other local governmental systems, however, the reforms in the school system were rarely referred to in the discussion of general municipal affairs. The tendency to regard partisan and factional politics as a necessary concomitant of city and town government was so strong that the prevailing notion was that the schools were not a part of government at all—a notion still pervading popular American thought in the field of local government, despite the fact that more than one-third of all the local government revenues of the entire country goes for the support of the schools.

With the coming of the twentieth century there emerged side by side two apparently contradictory movements for municipal reform. One had for its motto the dictum that the cure for the evils of democracy is more democracy. It sponsored direct legislation through the initiative and referendum, and more, rather than less, popular control of administrative, as well as legislative, officers by means of the recall. It also sponsored the Home Rule movement, by which the state legislatures in many states surrendered to the local municipalities the principal part of state control by permitting the electors of each city to frame their own municipal charters. The other movement was the Short Ballot reform, which sought to strike from the ballot the subordinate officers and place them under the appointing power of an elected executive, who was to be held to greater responsibility by reason of the greater concentration of power in his hands.

Literally scores of experiments in different types of city governmental structures were attempted under the influence of these trends.

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One of the most general was the substitution of the single chamber city council for the bi-cameral system, modelled on the lines of the Federal Congress—a sign of wavering faith in the check and balance system of control. Another was the substitution of appointive boards for the single head of a department.

Most significant, however, was the commission form of government. Born of the disaster of the Galveston Flood, when circumstances required swift action, the commission form of city government forsook the classic American idea of the separation of the executive and legislative powers and concentrated them both in a small commission, usually of five or three men, elected directly by the people. Acting together these commissioners were the legislative authority; acting severally and individually each was the administrative head of a department.

So immediate were the good results obtained, good men consenting to run for the positions in non-partisan elections; so refreshing was the increased efficiency, occasioned in part by the shortening of the legislative processes, that the commission form of government was adopted in city after city. It was actively encouraged by the National Municipal League and other bodies of reformers, and seemed for a time to be the way out of the American municipal muddle.

It had, however, an inherent defect. The people almost always selected the commissioners because of their announced position with respect to matters of policy. In other words, the electors chose legislative representatives. In practice it was soon apparent that a commissioner faithful to his mandate as a legislator might not necessarily be qualified to manage a technical department. There was the instance of the city that chose accurately the commissioners best representative of the prevailing opinion with respect to a gas company franchise, but at the same time put a banker in charge of the health department and a physician at the head of the finance department! There was no one to co-ordinate the several administrative departments. Yet the commission plan was popular and continued to be adopted in more and more cities until the emergency of the Council-Manager plan.

In 1908 the members of the huge, unwieldy bi-cameral council of the little city of Staunton, Virginia, by common consent decided that they were wasting too much time in the processes of their work, and they were not making a very good job of it at that. A committee of aldermen and councillors was chosen to suggest a way out. The commission form of government was then at the high-tide of its popularity, but the Virginia legislature had not yet authorized its adoption by Virginia cities. Blocked at this exit, the committee decided to

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suggest an extra-legal remedy. It was that the council should employ a trained engineer-administrator, make him general manager of the city, and devolve upon him by consent all the executive and administrative functions exercised by the committees of council, retaining for the council only the legislative functions.

The suggestion was adopted. Staunton employed a railroad civil engineer as its general manager, and thus the city manager movement was born. The first city manager was Charles E. Ashburner, an Anglo-Indian, Calcutta-born, educated in England and trained in administration in American railroad work.

At about the same time Richard S. Childs, now President of the National Municipal League and then the youthful chief supporter of the Short Ballot movement, noting the defects of the commission form of government, wrote a charter for the City of Lockport, New York, which set up the council-manager form of government substantially in its classic mould. The Lockport charter never became effective, but it was very shortly adapted for the use of Hickory, North Carolina. From these beginnings a few small towns picked up the experiment.

It was, however, another disaster, a flood in the Miami river that swept away large parts of the thriving city of Dayton, Ohio, that brought the new scheme into general notice. Dayton was required to be rehabilitated, and measures to prevent a recurrence of the catastrophe were urgently necessary. The inefficient, party-controlled city government was not to be trusted with such really important work. So Dayton adopted the new council-manager scheme of government, and called as its first city manager Mr. (now Colonel) Henry M. Waite, who had rendered distinguished service as city engineer of Cincinnati under a short-lived reform administration of that metropolis. Mr. Waite's work in Dayton was the beginning of the general movement for the employment of trained and professional administrators as city managers, supplementing as it did the precedent in the case of Mr. Ashburner. Despite the example of the non-resident superintendents of schools, this new scheme seemed to many people to be subversive of the democratic constitution of the nation. It was monstrous that a foreigner should be imported to rule over us! Are there not men of ability and integrity here at home? Do they not deserve the office? Ought not local tax money be spent with home people?

In some states the legislatures have not yet permitted cities and towns to adopt the city manager scheme. In other states only the smaller villages and towns are permitted to embrace it. In still others adverse decisions by conservative courts have negated the permission granted by the legislatures.

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Despite these handicaps and despite the fact that in no state is the manager plan positively encouraged by the state—it is at most only permitted to the electors of a particular municipality at their own motion—the growth of the manager movement is impressive. It has been accompanied by a sharp recession in the rates of growth of the strong-mayor plan and the commission plan—its two immediate predecessors in the field of municipal reform—and as yet shows no indication of weakness. Its present status (as of 1st July, 1931) is shown in the following table:—

NUMBER OF COUNCIL-MANAGER CITIES BY POPULATION GROUPS.
(From final figures, U.S. 1930 Census.)

Population Group	Number of Cities in Group	Cities with Council- Manager Plan	
		Number	Per cent.
2,500 to 10,000	2,183	174	8
10,000 to 25,000	606	107	16
25,000 to 50,000	185	34	18
50,000 to 100,000	98	23	23
Over 100,000	93	19	20
	3,165	357	

This table ignores the two-score or more towns with less than 2,500 people that have the manager plan. It should also be remembered that all these cities are in thirty-six of the states; twelve of the forty-eight still refusing to permit the adoption of the new plan. Even within the thirty-six states there is great concentration in the states that have had the scheme the longest period of time, Michigan with 44 city manager cities, Florida with 36, Texas with 35, California with 34, Oklahoma with 30, and Virginia with 28, leading the list.

During the twenty-two years of the growth of the movement only twelve cities that have adopted the council-manager scheme by a vote of the people have abandoned it by the same method. This does not include a number of cities where the manager plan was instituted merely by ordinance (*anglice* "bye-law") adopted by the council, and was therefore subject to abolition by mere repeal of the ordinance.

There are in all the forty-eight states and the federal territories 376 cities of more than 25,000 population, and although in twelve of the states and the federal districts the council-manager scheme is not permitted, it is significant that one in every five cities of this total has adopted this new form of city government. This 20 per cent. of American cities in taking up this new thing has abandoned some of

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the most dearly held traditions of the frontier. They have violated political and constitutional dogmas to which they still cling in state and national affairs, and they have introduced an entirely new era in local government in America.

This new thing, briefly stated, is this: That the people shall choose their legislative representatives at the polls, that these councillors in turn shall choose one of their number as mayor to serve as the political leader and the ceremonial head of the city; that the mayor and council shall choose solely on the basis of his qualifications for the position, and without respect to political creed or place or residence, a manager who, within the general lines of the policies determined by the council, is the sole responsible executive and administrative officer of the city. Responsible to the council himself, he in turn appoints the heads of departments and through these chiefs it is his business to manage the affairs of the municipality. Considering the historical background, the inveterate habit of each American city to pursue its own particular trial-and-error method without regard to what other cities have experienced and the violence done by the very scheme itself to the American political tradition, it is not to be expected that the course of events in every city has been or will be smooth.

Mortality has been high among city managers. New councils coming in frequently have felt themselves under the compulsion of the old Jacksonian new-broom theory to remove the old manager and select a new one. Sometimes the political bosses have captured the machine and have named complacent managers from among the ranks of local politicians. But these are the exceptions rather than the rule, and the average term of service of managers is gradually lengthening, as is shown in the following table:—

AVERAGE LENGTH OF SERVICE AS MANAGER AT DATES INDICATED.

Beginning of Year	Average for all Managers in Profession
1916.....	1 year, 7 months.
1921.....	2 years, 15 days.
1926.....	3 years, 4 months.
1931.....	4 years, 11 months.

Of the 405 city managers in service 99, or 24.4 per cent., have served less than two years; 250, or 61.7 per cent., three years or more; 172, or 42.5 per cent., five years or more; and 48, or 11.6 per cent., have served as city managers for more than ten years. The increasing stability of the profession is further indicated by comparison with previous years. The percentage of city managers with a service of three years or more increased from 20.3 per cent.

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in January, 1921, to 48.2 per cent. in 1926, and to 61.7 per cent. in 1931.

These figures should be interpreted not in comparison with English standards, but with the records of the American partisan-selected, popularly elected administrative officer, whose tenure was from election to election, and no more. It must also be remembered that in part the short length of service is accounted for by the resignation of managers who accept appointment in larger cities at higher salaries. From the beginning up to 1919 there were a total of 18 promotions from city to city, whereas in the next ten years, up to 1929, there were 151 such promotions.

It may be interesting to consider the cases of two managers. Mr. Ashburner, the first manager, was paid \$3,500 a year by Staunton. He went from there to Springfield, Ohio, at \$5,000, and was advanced to \$6,000. He came back to Virginia as city manager of Norfolk at a salary of \$10,000, which was increased by increments to \$15,000. He then went to Stockton, California, at a salary of \$20,000, serving there until compelled by ill-health to retire. O. E. Carr served first as city manager of Cadillac, Michigan, 1914-1916, at a salary of \$3,600. He went from there to Niagara Falls, New York, 1916-1918, at \$5,000; Springfield, Ohio, 1918-1920, at a salary of \$6,000; Dubuque, Iowa, 1920-1925, at a salary of \$8,500, which was advanced to \$10,000; Fort Worth, Texas, 1925-1931, at \$13,500, which was increased to \$15,000 and then to \$16,500; Oakland, California, 1931, at a salary of \$20,000.

As yet none of the very largest cities have chosen their managers from the ranks of the managers serving the smaller cities, but the general tendency is to advance men from city to city in the ascending scale. This is having a marked effect in obtaining general recognition of the professionalization of the city managers. They look upon themselves as members of a profession, they support a professional organization and publication, and, in turn, are being granted an increasing degree of recognition by the public generally as well as by other professional administrators, as, for example, the school superintendents and the health officers.

(Throughout this article in referring to city managers as constituting a profession I have used the word in its rather broad American meaning of an occupation requiring special qualifications and imposing certain ethical standards, and not in the sense that men are admitted to it by any diploma, certificate, or by means of examination.)

Now comes the question: What does a city manager do? It is a difficult question to answer, even for me, who has been a city manager of two cities. The difficulty lies partly in the fact that no

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two cities in the United States have the same functional activities, and partly in the fact that no city in the United States has with respect to itself on any level—that of elector, taxpayer, employee, official, councillor, or whatnot—the same attitudes that are to be found in the next city. Each has developed its own administrative pattern and its own traditions, influenced, of course, by state law and by regional habit, but none the less individual and unique. So a manager in one city does things that he would not do in another. He must adapt his theories of administration to local conditions. This is known in America as “management.”

There is one thing that seems to be shared in common by both the American and the English inquirer about the city manager. The American who lives in a city where the manager is not yet known in the flesh, or in one where he is but a recent importation, and more especially the old-school American politician, is sure to ask just the same question that was asked of me by many English administrators at the meeting of the Institute of Public Administration at Oxford in the summer of 1930. Allowing for differences of vocabulary, pronunciation, and accent, that question is: “Why should people submit to a municipal czar?” The answer is, of course, that they don’t. They have turned to the city manager in order to escape the czar. In some places that czar was the political boss. In others he was the departmental bureaucrat.

The city manager isn’t a czar, nor any other sort of monarch. He is more nearly a prime minister without portfolio. The manager himself, except of necessity in the smaller villages and towns, doesn’t personally direct the affairs of the several departments of the municipality. He doesn’t give orders directly to the staff. He doesn’t interfere directly in the ordinary operations of the municipal machinery. He manages all the departments, but he directs none of them.

Put in another way, his chief function is to serve as the responsible co-ordinator with power; to see to it that all of the departments of the municipality work together to carry out the policies that have been determined by the council so far as that is possible within the limits of the funds which council has appropriated for the several services. As such co-ordinator it is his business, of course, to keep council always advised of the course of events and to make recommendations even in the field of finance and of policy that seem to him to be necessary for the better administration of the entire government.

In American cities under other forms of government it has been found that a strong council committee or a strong group of commissioners sometimes would deprive weaker committees and groups

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of their fair share of available funds, so as to expand certain municipal activities in which they had a particular interest at the expense of others which really were of co-ordinate importance to the people as the whole. It is the city manager’s business to see the municipal structure as a whole and to prevent such unbalanced programmes, although I must confess that I have known a few managers, too, thus to pay undue attention to their own pet enthusiasms.

It is a particular part of the manager’s business to subdue the dragging effect of inter-departmental jealousies, and to this end he has been given the power to appoint on his own terms the heads of departments. To the American politician, and to some English administrators as well, this has seemed to be an unwarranted extension of personal power. The American politician—thinking in his terms—has said that it would permit the manager to build up a strong political machine by which he could influence the selection of friendly councilmen who in turn would perpetuate the manager in office. So it might if the manager made his appointments as the politician would make them—with the political motive first. That has been the prevailing rule in American cities, and still is so in three-fourths of them. But the manager doesn’t build up a political machine by his appointments in actual practice, because he selects men who are technically qualified for the work they are to do, and they in turn do not think in political terms nor act in political ways. The English local government administrator—at any rate the few I have talked with, thinking in his terms—has said that it would permit the city manager to dismiss men of long service and high degree of professional training. So it might if the manager were that kind of a man, but in actual practice the manager has kept in the service the qualified men found in the old governments—for even under the political schemes some of the technical positions had to be filled by trained men—and in nearly all manager cities the heads of departments and the rank and file of the employees have been given an added sense of security of tenure and an entirely new assurance of promotion by merit.

The reason for this practice of the city manager in action is not related to a standardized training for a recognized profession, of course, since there is no such thing. It arises from a complex of powerful motives. The first is that the city manager has been chosen precisely because the people of the city have willed that political and partisan motives shall be subordinated in their local government, and if the city manager is to succeed he must convince the public that he is in fact as well as in name a “manager” and not a “politician.” The second is that he is influenced by the ethical code of his fellow city managers, and thus is held back from yielding to political

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temptation. The third is that he knows as a result of administrative experience that he can succeed only as he gains, holds, and increases the hearty support of his subordinates, and that to do this he must assure them fair treatment, safe tenure, satisfactory pay, and agreeable working conditions.

The very title of "manager" means all of these things to the American mind. One will hear it said concerning an industrial or other business establishment: "There is too much politics in that concern—the management is weak"; or, conversely, "A man gets a square deal in that office—no politics, the management won't permit it."

And the city manager knows very well that if he were to yield to a temptation to play politics to save his skin in a particular situation it would be held against him later on in that particular city and quite conclusively bar him from any other city.

Another thing about which the American politician of the old type and the British local government administrator seem to agree is that the city manager is paid too much salary. Again there is the matter of scale. In the United States the politician has never objected, indeed he has encouraged, the payment of relatively large salaries, say \$5,000 to \$7,500 a year, to members of boards and heads of departments who were not expected to give their whole time to the service of the city. They carried on their usual business or professional careers and devoted spare time, if any, to the city. The manager gives his whole time and requires whole-time service of his heads of departments as well as of his employees. A city manager must be prepared to resign instantaneously if the council asks him to do something which the ethics of his profession forbids, and he knows that there is, as yet, no retirement pay for such as he. As a matter of fact, the salary matter is largely affected by local standards, and the relatively large salaries paid to city managers in almost every instance—and here the qualification is perhaps unnecessary—have been saved over and over again every year by improved methods of management.

The question naturally arises: From whence come these city managers? In the beginning most of them came from the profession of civil engineering; and, indeed, more of them now in service are engineers than may be credited to any one other group. Accountancy has contributed its share, as have business administration, journalism, medicine, pedagogy, and the law. But from whatever professional or occupational source, most of the managers have had actual experience in municipal administration in subordinate positions. They have served as city engineers, or city auditors, or superintendents of schools, or have held some other municipal

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administrative post under a different form of government. Some of them have come up from such positions as secretary of chamber of commerce, or other semi-public secretarial positions involving a managerial and co-ordinating experience.

At the very beginning of the movement more than one of the universities offered courses in city managership, not fully reckoning with the difficulties of finding places for young graduates, and not fully appreciating the fact that experience in subordinate places is a *sine qua non* for him who would manage a group of subordinates.

Notwithstanding the disappointing experience in respect of these earlier attempts, the need for special training for men intending to become city managers is being more widely recognized than ever. A few of the early graduates from the courses given at the University of Michigan and elsewhere actually are city managers. More of them are serving in subordinate capacities in city governments, while still more are serving as executive secretaries of civic organizations of one kind and another directly concerned with the local government field.

The training courses given at the National Institute of Public Administration and at Syracuse University, combined with brief apprenticeships served after graduation under the direction of city managers, has produced, all things considered, a remarkable group of city managers, directors of bureaux of municipal research, department chiefs serving under city managers, and so on.

The city managers themselves, however, are giving serious consideration to the problem of more adequate training, and have reached the conclusion that valuable as may be the introductory courses in public administration given in the universities, some standardized system of training on the job must be added which will be open to all city managers, no matter what their primary training. Tentative plans for short-course institutes for city managers in service are now being worked out and it is hoped that the first of such institutes may be held in 1932.

Next comes the question: How are the city managers chosen.

There is no easy general reply to that inquiry. It depends upon the local council and, it must be admitted, something upon chance. There is, however, a noticeable tendency to require actual municipal experience and, more and more, actual experience as a city manager. Some of the newly adopted charters require the council to select a man who actually has been a city manager, others require previous service as city manager or assistant manager, and one, at least, even goes so far as to require membership in the International City Managers' Association.

An observable tendency is for the city council in employing the

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first city manager to select an out-of-town man (so the phrase goes for the non-resident) but in selecting his successor to appoint a local resident. This is especially true in the smaller cities and towns. The result is that at the present time approximately one-half of the managers in the service were non-resident and the other half were resident at the time of appointment.

In making their choice councils naturally are influenced and partly controlled by the universal American idea of the utter independence of each municipality from all other governmental agencies. They do not ask any central authority for advice, and, indeed, there is no such authority to consult. Very frequently they are influenced by the particular local problem that is most urgently demanding solution—engineering, financial, or whatnot—to choose a man whose record indicates that he might be able to tackle that particular job. Not infrequently they are influenced by the salesmanship of the applicant, which sometimes is to the good and sometimes quite the contrary. A manual suggesting methods for choosing city managers has been published by a national committee and is sent to members of newly-chosen councils, but the extent to which it has been regarded is something that no one knows.

Unsatisfactory as are these haphazard methods of choosing city managers, it should be remembered that the choice is made by a small group of responsible elected legislators, and not, as in practically all other instances in America, so far as chief municipal administrators are concerned, by the electors at the polls from candidates submitted by partisan political organizations, nominations often dictated by corrupt party bosses. Even in those instances where there has been no boss dictation, and even where there has been no partisan struggle, the candidate himself will have made commitments in a popular campaign that he must, in honour bound, redeem for the benefit of his personal supporters even at the expense of the public service.

This difference in the method of choice is one of the reasons why city managers, in all but a few exceptionable cases, have been able to improve the municipal administration in the cities which they serve. They have no political commitments, and they have been chosen, presumably at least, because of their qualifications for the work they are to undertake. Even for the man not well qualified this sets up a standard of behaviour against which he must measure himself.

Then, as I have indicated—and this means much in America—there is a psychological power in the word "manager" which induces a change of attitude on the part of the citizens toward the city hall. They no longer assume in advance, although often

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erroneously, that they can get no hearing at the city hall unless they make the approach through purely political avenues. They now assume, even if erroneously in some few cases, that the manager will meet them on what they popularly term a "business basis." This change of public attitude is perhaps one of the most important and significant effects of the city manager movement.

This psychological change arises, in part, from the circumstances in which the popular campaign for the change in the form of government has been conducted. The proponents of the new scheme point to the manifest evils of the time-worn purely political municipal regime. They say that what we need is a business administration of municipal affairs conducted on business and not on political lines. They point out that America's greatest failure (never failing to quote Lord Bryce) is municipal government. They also point out that America's most conspicuous success is in business administration; that business is carried on by corporations which are made up of stockholders who choose a group of their number to serve as directors and who leave to the directors the choice of a general manager, who in turn selects his head of departments, &c., &c. Here, they say, let us order our municipal affairs in the same way. The voters are the stockholders. Let them elect a board of directors, the council. The council will select a chairman of the board, a mayor, who will be the ceremonial and political head of the city, but will be entirely free of administrative work. The council will employ a general manager, and he will execute the policies determined by the board of directors.

Upon this analogy is based the appeal that has been so successful in inducing so many American cities to make this radical change in the form of government, and out of the same analogy has proceeded a change in popular attitudes that has made the radical change in form of local government also a revolutionary change in the actual substance of local government.

I can say that, almost without exception, every city and town in America that has changed to the council-manager form of government has benefited by greater efficiency, more strict economy in expenditures, and by the extirpation of graft as the motivation of the municipal machine. I may add that I introduced the qualification in that last sentence only for safety's sake, as I do not know of the exception, if there be one. Even in those cities—and there are a very few of them—where the council was captured by the old political machines and the manager was appointed from the ranks of the old-school politicians, the very form of government, substituting as it does concentrated for diffused responsibility, has made for improvement.

Yet I could not close this article without some reference to the

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weaknesses and evils of the council-manager scheme. The chief difficulty encountered in many cities is the failure of councils to assume full responsibility in matters of policy, forcing the manager to take positions in public which necessarily embroil him in popular disputes. Sometimes this happens because the council is made up so exclusively of inarticulate business men unaccustomed to public life that they compel the manager to become their spokesman. Sometimes this happens because the council is divided between the new and old orders, and the manager is compelled by a sense of decency to let the public see with which group he stands. In a few instances it has happened because the manager thought of himself as the popular leader. But in most cases the managers have kept themselves well on the administrative side of the fence, and not a few have resigned when their councils, or the public, would have attempted to force them to take positions on political questions. This is a refreshing note in American local government where for years it was the universal rule, and in most cities it is still the rule, that continued tenure of public employment depends primarily upon active political service, and but secondarily upon service rendered to the public.

Another weakness is that too much public attention has been centered upon the city manager and too little upon the council. It is for this reason that the proponents of the new scheme always refers to it as the "council-manager form of government," nearly always to have the people repeat after them "city-manager form of government."

In the long run it is the council that is responsible for the quality of the local government. If that council be freed from administrative detail by obtaining the services of a competent manager, so much the better. If that council has the advice of an expert city manager, so much the better. But a bad council will eventually drive a good manager out of his position, and a bad council eventually will mean bad government.

There is a ray of hope with respect to this situation in the observable tendency of better men and women to offer for councilmanic positions in manager cities than will consent to serve on municipal legislative bodies under other forms of government. In manager cities this tendency is so marked that it actually is coming to be considered an honour to be a member of the city council, whilst in hundreds of other cities among large groups of people such service is counted an actual dishonour.

Long as is this article, I find that I have not said anything about the administrative organization of a local government under the council-manager scheme. I cannot; except to repeat that in the

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United States no two cities have precisely the same pattern or function and activity. In no two states is the apportionment of function as among state, county, township, school district, and municipality the same. Within a particular state there may be scores of entirely different systems of municipal organization.

Among council-manager cities the difference in scope is very great. Even in Cincinnati, where the new form of government has had perhaps its greatest success, the health and recreational services, as well as the schools, are outside the power of the council and manager. Only in a few cities in the south is the fiscal control of the school system under the manager, and everywhere the personnel and curriculum of the schools are administered by independent boards. One city may have no public utilities while another may own and operate water, gas, and electricity. No American city as yet has a municipal housing scheme. In the matter of relief of the poor no two cities in all the United States have the same scheme of action. I might go on so through the list. But I have said enough to indicate that it is impossible to generalize about the administrative scheme of local government in America. Perhaps this makes it all the more remarkable that the rationalizing influence of a structural scheme such as the council-manager form has swept so rapidly over the country and has achieved such a relatively high degree of success.

I believe that the council-manager form of government is the best thing that has yet transpired for the improvement of local government in the United States. I hope that improvements in it will be produced by experience. I believe that it will be gradually extended until, in some form, it will become the prevailing pattern of local government in the United States. Through this, I believe, there will come as a contribution of the profession of city managership, an integration and a unity of local government in this country which cannot come from central governmental authority because of constitutional inhibitions. Furthermore, I believe that the profession of city managership will contribute to the science and the art of public administration generally an improved technique that will enable the public administrator everywhere to deal more effectively with the problems that confront him, and to do so with greater freedom from procedural entanglements.

I do not say—I desire most emphatically to point out my utter failure to say—that I think the city manager form of government would be a good thing for British cities. In the first place, I am not sufficiently informed as to the present status of local government administration in Great Britain to enable me to hazard an opinion. In the next place, as I have tried to point out, the council-manager movement has been the product of a long historical and traditional

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development peculiar to the United States; and it by no means follows that it is transferable to another country.

There is another reason for my failure to say anything on this point. You in England so often do things without saying them, while we in America so often say things without doing them. Who knows that your town clerk will not develop gradually and without blare of trumpet or flaunting of banner into essentially a city manager? Who knows, indeed, that in some instances he has not already done so?

And so I conclude, borrowing a phrase from those memorable historians, the authors of "1066 and All That," that for the United States, and I speak of no other country, the city manager is a good thing.

Some Aspects of American Administrative Law

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AMERICAN administrative law, like English, is rather paradoxical: it is elusive and yet extremely practical; it is clearly public law and yet not officially recognized as such; its right to independent existence is now established beyond a doubt, but it has never received the confirmation of the constituted authority.¹ Perhaps it is partly this air of mystery, tinged by its undoubted practicality, that continually makes administrative law a more interesting and a more necessary field for the student, the researcher, and the man of affairs.²

The ambit of administrative law is a large one. In the United States at least it deals with the separation of powers, the appointment and removal of officers, the delegation of legislative and judicial powers to officials, administrative adjudications and their finality, the power to investigate, summary action, and the abatement of nuisances, actions against the community or against officials, the extraordinary remedies and the circumstances under which an appeal to a court will be granted. The subject-matter includes virtually everything in the field of public administration, such as civil service, health, schools, highways, public utilities, housing, insurance, and immigration. At this point government makes one of its closest approaches to economics.

The futility of attempting to cover much of so large a field in the compass of a brief paper is patent. I shall be satisfied to confine my attention to but a few points, ones which might have some interest for officials. What is the importance of administrative law to public administration? How is it related to social and economic experi-

¹ The title of this paper was suggested by an excellent article of K. B. Smellie's, "Some Aspects of English Administrative Law," this Journal, 5:276-290 (July, 1927). "Administrative law," he says, "is secreted in the interstices of private law."

² Universities such as Harvard, Yale, Columbia, Pennsylvania, Johns Hopkins, Syracuse, Chicago, Minnesota, Michigan, Illinois, Stanford, and California at Los Angeles, all offer instruction in administrative law. The list is not exhaustive.

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mentation? Will it be able to protect the legitimate rights of the individual in the socialized state? Finally, what is its rôle in the growth of law? Not even these questions can be covered fully of course, and most of the reference will be to what is occurring in America.

Administrative Law and Public Administration.

The official and the judge are both engaged in the same process, they are attempting to execute the law. Yet, despite their generic association, the average American administrator protests that the judge is usually his rightful enemy. As one official put it recently in conversation, "The judges are always looking backward, while we face forward; the courts are invariably theoretical, but we must be practical; the judges know almost nothing about our problems, and yet they are forever interfering, dictating, and blocking useful developments." The reasons for this attitude are not difficult to discover, but the improvement of the relationship seems to be decidedly so. One reason for misunderstanding is that modern demands upon administration require alacrity, special knowledge, and a considerable degree of finality.¹ American courts are not particularly well equipped to fulfil the first two of these qualifications themselves, and when cases arise in which they are called upon to decide the jurisdiction of officials to do these things, misunderstandings frequently occur. The extent of reviewability or of *ultra vires* is great in the United States, because of the doctrines of due process of law (now the most frequent subject considered by the Supreme Court) and equal protection of the laws. When one considers that both of these doctrines have been developed out of what the judges consider "just and reasonable," it may easily be seen why the technical administrator usually is suspicious of, and frequently is in disagreement with, the gentlemen of the bench.²

The object of frankly recognizing the quarrel between administration and adjudication is not to keep open old wounds. Most decidedly, we should work toward greater understanding and cooperation. That is one reason administrative law is so important. In the first place, every administrative service worthy of the name should have as one of its objectives administration by and through law, *i.e.*, with definite standards and hence devoid of any arbitrary

¹ *e.g.*, quarantine, eminent domain, abatement of nuisances, fixing of rates, social insurance.

² The attempted distinction between fact, which the official is supposed to settle, and law, which the courts reserve the right to determine, adds to the difficulty. A concrete example is this: the officials decide that 6 per cent. is a fair return for a street railway. Upon review the courts decide upon 6½ per cent. Which is fact and what is law? John Dickinson, in his *Administrative Justice and the Supremacy of Law*, has a very interesting discussion of this subject.

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action. As Professor Robson states so revealingly,¹ the "judicial habit of mind" is one of the most difficult, but one of the most valuable, attainments of the official who is called upon to determine rights and duties. But administrative law is not simply the liaison between law and administration by means of which officials learn attitudes and habits of action. In America a considerable number of administrative tribunals, such as the Interstate Commerce Commission, the Federal Trade Commission, State Public Utility Commissions, and Boards of Tax Appeals are being shaped into a hierarchy of administrative courts, in which new rules, new standards, new procedures are developed. They have already cut away a large segment of the business that would have gone ordinarily to the judges in the days before administrative tribunals assumed such importance. This new process must profit, and it is on the whole from what is best in the judicial system—hierarchy, *stare decisis*, procedure, hearing, evidence, appeal, and publicity.² The best way to reconcile law and administration is for each to learn to appreciate the problems and the merits of the other field; their common meeting ground is administrative law.

Administrative Law and New Social Problems.

The importance of administrative law is in proportion to the extension of state activities. Recently a student remarked, with something of a note of trepidation in his voice, "Is not administrative law really socialistic?" Then he explained that the assumption of responsibility by the community for injuries sustained by citizens, when these acts are due to faults of the official or of the service,³ seemed to him complete socialism. At any rate, public liability is hardly the individualism of the common law.

Administrative law is, in large part, the servant of new social and economic legislation. In the first place, social legislation is based upon the assumption of community responsibility for individual welfare, and so is administrative law. Again, experience in every country indicates conclusively that the executive power increases as state activities multiply. Administrative law may be interpreted as an attempt on the part of the community to obtain the efficiency which results from joining administrative and judicial powers in the same hands, while at the same time greater tort and

¹ *Justice and Administrative Law*, Ch. V.

² The suggestions on this point by two British writers are a source of constant inspiration to American students of the administrative process. I refer to F. J. Port, *Administrative Law*, Ch. VIII, and W. A. Robson, *Justice and Administrative Law*, 313-327.

³ This description would be literally true of the *Droit Administratif*, but hardly of American administrative law. However, as I shall show below, the responsibility of the community and of the service is increasing in America.

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contract liability is assumed by the public as an offset to the greater restrictions necessarily surrounding citizens. Power and responsibility are the twin genii of modern-day government.

Furthermore, the socialized state requires a high degree of technical efficiency. This has required special administrative tribunals, and in the number of these the United States leads all the other countries. Special commerce and industrial courts, which we do not yet possess, may be considered a part of the same attempt to escape from the general jurisdiction of courts to the technological and social viewpoint of administrative judges. Just as most social legislation is at first experimental, so administrative law is necessarily plastic. It is one of those means by which government attempts to catch up with social and economic developments that have usually preceded it.

Since administrative law is involved in the continual adjustment between what is regarded as private and what is public, it is looked upon by some as subversive. According to a judge in the writer's acquaintance, the administrative tribunals often follow the doctrines of Moscow. At times these quasi-judicial bodies have even issued orders limiting the amount of oil the owner may dump upon a glutted market. Does not this deprive the individual of his inalienable right to enjoy his property in his own way, and hence violate the due process of law provisions of the Constitution?¹ In such cases the most common questions of administrative law are ones of jurisdiction (or "jurisdictional fact"), proper notice and hearing, the sufficiency of evidence, and the "reasonableness, arbitrariness, or justice" of the judgment reached by the commissioners. The administrative tribunal, like social justice, sometimes receives serious setbacks. On the whole, however, the American legal profession evidences rather sincere respect for administrative law and for the new agencies that are doing so much to create it.

The Protection of Citizen Rights.

One of the most serious problems confronting the American people is "the lawless enforcement of the law." Recently the Wickersham Commission on Law Enforcement has been studying this problem throughout the country. As a result, the headlines of metropolitan dailies have been revealing stories of third degree methods, of police brutality, of the illegal deportation of alleged aliens. The first report of the same commission, the one dealing with prohibition, referred to the high-handed and sometimes illegal

¹ In fairness it should be said that several courts sustain such powers. There is no uniformity, however. A very recent case illustrates the conservative view, viz., *MacMillan Oil Co. v. Railroad Comm. of Texas* (D.C., W.D. Texas) 6 U.S. Daily 1318, Aug. 8, 1931.

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tactics resorted to by these new recruits of public administration, the Prohibition Army. Since the war America has attempted to cope with bootlegging, racketeering, and other evils by increasing the discretion of enforcement agencies, with the result that, as several able writers have shown recently, ours is a "vanishing Bill of Rights."

The ordinary courts have been unable to cope adequately with lawless enforcement even when they have tried. Now, as perhaps never before, there appears a need for administrative courts which will be presided over by specially trained administrative officials who have received a foundation in the law.

The most objectionable abuses of citizen rights are not ones which are so flagrant that court proceedings and publicity result. The greatest difficulty is the constant accumulation of small offences, which go generally unheeded by the public, and even by many of the higher officials. America needs a system of administrative courts for minor disciplinary cases. The way to improve the attitude and conduct of officials in their dealings with the public is to put the primary responsibility upon the service, not upon the ordinary courts. The United States has been more backward in this respect than most countries.¹

The creation of substantive and procedural law which will provide greater protection to the legitimate rights of the individual depends upon new statutory legislation, the creation of new tribunals for that purpose, or the revision of common law doctrines by the ordinary courts. Throughout the country the doctrine of sovereign immunity from suit has been constantly modified by permitting higher as well as lower officials to be sued.² Recently Congress introduced legislation which would have increased federal liability in tort considerably, but it failed to pass.³ The incorporation of departments in order to make them suable has not occurred in this country, except for trading services. Among the special agencies through which liability is guaranteed none is more effective than the Federal Court of Claims.⁴

The instances are not frequent in which the ordinary courts will go beyond the liability of officers and hold the service or the com-

¹ Cf. Herman Finer's analysis of "The Civil Service in the Modern State: Discipline and Rights," this Journal, 7:323-342 (Oct., 1929). Our police commissions possess disciplinary powers, but they are frequently political, not judicial, in their actions.

² The President may not be sued, but Cabinet members are subject to mandamus proceedings. Cf. *Kendall v. U.S.*, 12 Peters 524 (1838), and frequent later cases arising under statutory provisions. Among State cases, a good idea of liability is found in *Hatfield v. Graham*, 73 W. Va. 759, 81 S.E. 533 (1914); *McCord v. High*, Iowa 336 (1868); and *Lowe v. Conroy*, 120 Wis. 151, 97 N.W. 942 (1904).

³ Edwin Borchard, "Tort liability of the State," Jour. Comp. Leg. and Int'l Law, 3d. Ser. Vol. 12, pt. 1 (Feb., 1930). O. R. McGuire, "Tort Claims against the United States," *Georgetown Law J.*, 19:133-147 (Jan., 1931).

⁴ H. N. Stull, *Digest of U.S. Court of Claims* (Chicago, 1929).

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persons (Jugendfürsorge), the care of the sick and the prevention of disease (Gesundheitspflege) the categories. These were, however, in comparison with post-war standards, narrow both in conception and in scope. In particular, poor relief and the care of children and young persons were viewed very much in the light of public charities and carried with them an irradicable social stigma. The relief services were still organized, according to German definition, upon an "individual" basis; that is to say, each case was dealt with separately on its own merits, the recipients not being classified into groups with each its particular method of treatment. There was further little attempt at central unification and control, but everything was left to regulation by local authorities and *ad hoc* boards. Into these existing categories new contents have been liberally poured, until parts of them, like the proverbial bottles on receipt of new wine, threaten to burst.

The distress of the War and post-war years has engendered far-reaching changes. These have been largely beyond the power of the local authorities to affect or control, in part because they have been imposed by central legislation, in part because they are the automatic result of the industrial depression. In the first place large bodies of people hitherto excluded were brought within the sphere of public welfare, such as disabled ex-servicemen and the dependents of men fallen in the War. The inflation also claimed its toll. Whole classes of people who would otherwise never have needed relief were added to the lists of recipients, these being the so-called Small Pensioners and persons formerly insured under the Social Insurance Acts. The inflation has had a further result in that it annihilated the funds of many voluntary welfare associations. Their work therefore has had to be taken over by the local authorities. The most serious factor, however, has been the constant—indeed during the past eighteen months the catastrophic—increase in the numbers of the "welfare unemployed"; that is to say, of able-bodied unemployed no longer entitled to insurance benefit.

Changing circumstances have been accompanied to a large extent by a change in ideas. The body of opinion which looks upon welfare as extending beyond mere poor relief and as being a public duty has grown. It was not simply an alteration in circumstances but an alteration in opinion which caused the extension of public welfare.

The results of all these factors were twofold: in the first place, the conversion of the welfare system from one dealing mainly with individuals into one which deals with groups of persons on general lines, although the individual element has not been entirely lost; in the second, the growth of legislation in all fields, as the Reich has become increasingly conscious of its duties and of the evils, from the economic

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and administrative standpoints, attendant upon lack of co-ordination. The last development has not met with the approval even of all the most devoted advocates of "public welfare," who view with disfavour what they consider to be an unnecessary systemization, especially as legal control by the Reich and Lands is by no means always accompanied by the assumption of financial responsibility on their part, even up to the point stipulated by the Financial Adjustment Law of 1925.

The legal reforms culminate in the Reich Law concerning the Welfare of Children and Young Persons of 9th July, 1922, and the Ordinance concerning the Duties of Public Assistance of 14th February, 1924. These as amended, together with the Land State Laws giving them effect and one or two laws dealing with particular subjects, form the legal framework within which the German system of Welfare and Public Assistance operates. The Public Health Laws have not been codified, although a very great degree of administrative co-ordination has been achieved between the public health and other welfare services.

The Legal Framework.

Prussia includes more than half of the total population of the German Reich. In the following survey therefore the Prussian laws giving effect to the Reich laws will be taken, they being, moreover, in most respects typical for the whole country.

In the Ordinance concerning the Duties of Public Assistance the Reich enumerates certain compulsory duties, leaving the Lands to add others if they wish. These duties are: The care of the poor, including the care of children and young persons in need of assistance; the care of disabled soldiers, war widows and orphans and the dependents of those fallen in the field (called in German terminology war survivors, which term it will be convenient hereafter to adopt); the care of people seriously injured and those of limited working capacity; and lastly, maternity welfare. All the duties here prescribed are concerned mainly with the so-called "economic relief" (Wirtschaftliche Fürsorge), comprising monetary relief, relief in kind, and the payment for necessary medical attention. The term will be amplified in the section dealing with the various forms of relief in detail.

According to Reich regulation there must be, apart from the central Reich and Land authorities, Public Assistance bodies of two grades, to be known as the Land and District Assistance Associations. The Lands are left to decide which bodies shall act in this capacity, though with the stipulation that as far as possible all relief functions shall be carried out from the same centres. Prussia prescribes the Provinces and the Town and Country Circles as the responsible wel-

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fare authorities, in accordance with the recent tendency to centre functions in the Town and Country Circles at the expense of the non-circle-free communes (both urban and rural), a development which has its counterpart in England. The Prussian Law states, par. 1: "The duties of the Assistance Associations are to be carried out as self-government functions by the communal administrative organs as specified in the Communal Constitution Law. These organs are, for the Province, the Provincial or Land Committee; for the Country Circle, the Circle Committee, with the Landrat as chairman; for the Town, the Magistrat or Bürgermeister, with the Welfare Committees or deputations."

The Reich lays down detailed regulations as to which authorities are responsible for the care of persons needing economic relief, on the principle of the "habitual domicile." In this the Land Assistance Associations play little part, their duties being mainly of the kind that supplement economic relief. How duties are further to be apportioned between the two instances is decided by the Lands. They also regulate the division of expenditure, in particular with regard how far the Assistance Associations and the Communes or smaller Communal Associations are to contribute to the expenses incurred by the superior authorities and how far the Land Assistance Associations have to bear the cost of common institutions or to contribute to the costs borne by the lower authorities, with a view to forming an adjustment between the financially weak and strong.

Financial Adjustment.

Prussia stipulates that the Land Assistance Associations are obliged to give aid to those Assistance Associations in their districts which are not able efficiently to carry out the tasks imposed upon them. This help may be given in the form of grants or of free places in institutions or in other suitable ways. On the other hand, the Land Assistance Associations and the District Assistance Associations are allowed, according to the Communal Revenues Law, to pass on the expenditure which they incur to the lower authorities, in so far as this expenditure is not covered from their own revenues. Limitations to this power are, however, made in the case of the District Associations. Communes in country districts or smaller Communal Associations, such as the Landbürgermeistereien in the Rhineland and the Westphalian Aemter, are forced to bear 30 per cent. of the material expenditure (i.e., excluding administration expenses) incurred by the Land Circles in the performance of their duties as District Assistance Associations. The passage relating to this is worth quoting in full, *Preussische Ausführungsbestimmungen*, pp. 9-12, as amended: "Under the Ordinance amending the Prussian Law giving effect to

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the Finance Adjustment Law and the Prussian Emergency Taxation Ordinance, likewise the law carrying out the Ordinance concerning the Duties of Public Assistance of 28th March, 1925, all non-circle-free Communes (kreisangehörige Gemeinden) will be charged . . . with 30 per cent. of the expenditure of the Land Circles on their obligatory public assistance functions, and indeed without distinction, regardless of whether the carrying out of the duties of public assistance has been delegated to them or not. On the one hand there disappears any increased financial burden as the result of the independence for which the Communes strive and which is often very desirable from the practical point of view. On the other hand, when the duties of public assistance are only partially delegated, in which case the Communes only co-operate to a limited extent in the performance of the same (e.g., in the estimation of the applications for relief) they will yet have occasion to lay value upon efficient and economical administration of assistance. The District Assistance Association has accordingly in future no financial relief to expect from the delegation of duties, so that no longer financial but simply considerations of a welfare nature shall be the deciding factors in the judgment of qualifications necessary for an efficient performance of the delegated functions." In other words, on the principle of expenditure only where funds are raised Communes are not to be allowed to dispose of revenue in the raising of which they take no part, while Country Circles are not to be allowed to rid themselves of their responsibilities simply by shifting the performance of their duties on to other bodies. The whole arrangement is a check, with the greatest inducement for the Country Circles to carry out their functions themselves.

Delegation of Duties.

Functions should be divided according to the capacity of the various bodies to undertake them. Since all the functions of public assistance, or some part thereof, have hitherto been carried out perfectly well by the Communes, and particularly by the smaller Communal Associations, the duties of the District Associations can be delegated to the smaller bodies. The Circle Committee has power to decide upon delegation, which may be entire or partial. The Communes and smaller Communal Associations of more than 10,000 inhabitants have, on the other hand, the right to demand total delegation, unless this would produce lack of uniformity in the administration within the Circles and uneconomic dispersal of revenues. If delegation is refused on the above ground, the petitioning body can appeal to the Government District Committee, which ultimately decides. Functions delegated to Communes or Communal Associations of over 10,000 inhabitants are carried out as self-government

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functions, and the District Association has no right to interfere in particular cases. It can still, however, lay down general regulations, including the maximum scales of relief. Smaller bodies can only carry out functions on behalf of the District Assistance Associations, who can lay down full regulations and maintain administrative control as far as this is necessary. The law then adds a rider. In either case the transferred functions are only to be those connected with the immediate granting of relief. Functions can be delegated in other ways. The Land can hand over such as it thinks fit to insurance bodies or to voluntary associations providing similar services. Land and District Associations can likewise do so on their own initiative. In fact, great value is placed on the co-operation of public and private welfare bodies.

Procedure.

The Lands are left to regulate procedure, subject to the limitation that power of appeal against the refusal of relief must be granted. Further, the co-operation of the recipients or of their representatives must be secured when general regulations are being drawn up or scales of relief decided upon. Public Assistance Associations should not create institutions of their own when effective voluntary ones are already in existence, such institutions being entitled to aid from the public funds. Procedure is regulated in detail by the Reich and Lands, no freedom in this matter being left to the local authorities.

Determination of Relief.

General definitions of the conditions constituting a claim to relief and the nature of such relief are laid down by the Reich in the section of the law entitled "Principles of Public Assistance." Within the limits of these regulations the Lands are left to decide upon the nature and amount of relief, with the one condition that the scales of relief for disabled soldiers and persons placed in the same category must be at least 25 per cent. above the general scales. The Lands also decide the minimum income which entitles a woman to maternity benefit. A good deal of regulation is left to administrative action through the Reich Government, acting in conjunction with the Reichsrat and, in Prussia, the Minister for Public Welfare. The relief of abled-bodied persons can in suitable cases be given in the form of work. Persons unwilling to work, or such as are in other ways "morally responsible" for being in need of relief or for allowing their dependents to become so, may be offered the workhouse as the sole method of relief. Owing to the large numbers of those needing relief and the difficulty of determining moral responsibility, this method is little employed.

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Refunding of Relief.

Persons legally responsible for the maintenance of others in need of relief can be made to refund such relief or to contribute thereto. Recipients of relief who are in need simply because their means are not at the time convertible, and those who afterwards acquire a good income, may be made to refund the relief. Relief may not, however, be granted with the stipulation of repayment attached. The regulation of this matter is left to the Lands. Prussia omits to draw up any regulations whatsoever, considerable legal confusion and an undesirable amount of litigation being the result. The matter is certainly one which it is difficult to regulate upon a uniform legal basis.

Assistance Associations giving temporary relief can demand the removal of the recipient to the care of the Association ultimately responsible, with the repayment of the expenses involved, including the costs of removal, according to the rates existing in the place of temporary assistance.

The Reich Law concerning the Welfare of Children and Young Persons.

The Reich Law concerning the Welfare of Children and Young Persons draws up a framework of relief in very similar fashion. Local relief bodies shall be divided into two grades, the Land Youth Offices and the Youth Offices, the latter to be set up by Communes or Communal Associations.

Two sets of duties are prescribed, these being:—

1. The care of "Pflegekinder," or children boarded out.
2. The performance of certain functions of guardianship. The Youth Offices must act as guardians in certain cases and co-operate with the legal guardians in others.
3. Co-operation in the "Protective Supervision of Children and in the Welfare Upbringing."
4. Co-operation in the supervision of the work of children and young persons, according to further Land regulations.
5. Co-operation in the care of war orphans and the children of disabled ex-servicemen.
6. Co-operation in the aid of children and young persons in the police courts, in particular by the provision of homes, to prevent neglect and corruption.

These duties are all regulated in considerable detail by the Reich, the Lands being free to make further regulations. Prussia, however, leaves them to be carried out as self-government functions, except in the case of "welfare upbringing," which is considered a State function, to be performed by the Youth Offices under State control and on behalf of the State.

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A further set of duties is made compulsory. These are legally regulated neither by the Reich nor in general by the Lands but are left to be carried out by the Youth Offices entirely at their own discretion. They are:—

1. Advice in matters concerning children and young persons.
2. Pre-natal and after care, as far as this is not regulated under the Public Assistance Ordinance.
3. Welfare of infants.
4. Welfare of small children.
5. Welfare of children of school age, apart from actual education.
6. Welfare of young persons after leaving school.

All branches of Public Assistance have to include medical care. The health duties thus connected with them may be handed over in their entirety to the Public Health Offices, where such exist, as they generally do, as a separate part of Communal administration. No organization is provided for public health along the lines prescribed for the public assistance of children, young persons and adults in the laws quoted above.

The Various Branches of Public Assistance.

Welfare is divided in Germany into three main branches:—

- (a) "Economic."
- (b) The care of children and young persons (sometimes known as educative welfare, a term inapplicable in English since the German expression signifies not education but upbringing).
- (c) Public health and social hygiene.

All these functions are carried out in Prussia by the Provinces and Circles and in other Lands by the corresponding authorities, unless delegated by them to the Communes. They are generally organized in three departments or "offices": the Welfare, Youth, and Health Offices. The Welfare Office is responsible for the so-called economic or essentially monetary relief, even of minors, regardless of whether there is a separate Youth Office or not. It is specifically stated in the Reich Law concerning the Welfare of Children and Young Persons that the Youth Office may be simply a sub-committee of the Welfare Office, constituted according to the rules laid down by Reich and Land Laws. As the health functions of the Youth Office can be handed over to the Health Office, the Youth Office as a separate entity may entirely disappear. The division of functions between Youth and Welfare Offices is sometimes extremely arbitrary and not to be understood except in the light of historical development. The old Youth Offices, as they grew up before the regulation of Youth Welfare by law, were mostly concerned with the care of illegitimate and abnormal children. Exten-

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sion to general care came later, and these newer functions were often handed from the beginning to the Welfare Offices, as it was felt that a greater amount of co-ordination would thereby be achieved in the whole welfare system. It thus sometimes happens that the Youth Office is responsible for illegitimate and abnormal children while the Welfare Office has the care of all others.

The administrative development of Welfare and Public Assistance in Germany is not in the direction of further dispersal of functions among a number of largely independent bodies or departments but towards co-ordination of all the various functions in one or two. The Welfare Offices generally play a double rôle. They are responsible for all direct monetary relief, and must work in close co-operation with the other two departments where this is concerned. The monetary relief of children and young persons is, as has already been shown, a function not of the Youth Office but of the District Assistance Associations, whose organs the Welfare Offices are. The Welfare Offices often, however, have the further task of co-ordinating all branches of welfare, a task which has become the more necessary in face of the increased expenditure of post-war years and the extremely strained condition of the Communal financial system. It is desired to prevent the waste and double work which almost inevitably occur where functions are split up between too large a number of departments. The most up-to-date Welfare authorities have somewhat the following organization. The three departments are either co-ordinated into a single Welfare Office, with sub-sections for Economic Assistance, Youth Welfare and Public Health, or else a supervisory committee is formed having the three departments under its control. The medical services are segregated and handed over in their entirety to the Health Office, which must work in close conjunction with the other two departments. This is in itself sufficient to necessitate the co-ordination of the three offices, the predominance of the Welfare Office, or at least the formation of supervisory committee. The care of minors, apart from the granting of economic relief, is carried out by the Youth Office, that is to say, the distinction between abnormal and illegitimate children, mentioned above, is abolished. External administration is similarly co-ordinated. The aim of present reforms is to develop the system of "Family Welfare," having as its object the care of whole families carried out from the same centre and to a large extent by the same persons. The health duties under this system are entrusted to one body of persons, who are responsible for the care alike of the expectant mother, the infant and small child, school children, young persons, the sick, infirm and aged.

It is by means of the Welfare Visitors that Public Assistance

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endeavours to maintain its individual character. These are trained persons and may be paid officials, voluntary workers, or workers placed at the disposal of the public authorities by voluntary societies. In this way a certain degree of co-ordination between public and private welfare is attained. The Welfare Visitors are the mainstay of the "Family Welfare" system, under which they are responsible to all three offices for a certain area. They unite in their persons the various welfare functions where these are not of a particular or expert nature. They inform medical and relieving officers of the home conditions of their charges, they have to see that adult and youth welfare are carried out to the best advantage, and are personally responsible for transferring relief payments to the homes of the recipients, except in such cases as are certain and perpetual, when payment may be made by post. This system is animated not simply by the pure milk of human kindness but by the desire to maintain constant supervision.

Not all the work of investigation is carried out by these officials. To a certain extent the once famous Elberfelder system still prevails, whereby the general public is mobilised into the "Outer" Welfare service. Under this system voluntary workers are employed upon house-to-house visits. They are generally organized into groups, each of which has some one person responsible for receiving their reports and placing them before the competent authority. The practice, however, of appointing trained Welfare Visitors has increased, and the voluntary system, though not likely to disappear, is of less relative importance than before the War.

Economic Welfare.—I. General Assistance.

General Assistance is carried out by the Land and District Assistance Associations. Under the Prussian Law of 1924 (which merely confirms previous practice in this respect), the Land Assistance Associations are made responsible for the provision of institutional relief. They may, however, recover the costs, excluding general administrative expenses, from the District Associations. In the case of minors, institutional care must include education, on the ground that it is desirable, in order to prevent an excessive multiplication of authorities interested in the welfare of the same person, for that authority which provides institutional relief to provide the education and maintenance made compulsory for minors under the Reich Youth Welfare Law. This clause also applies to minors maintained in institutions on purely economic grounds. The Ordinance further makes the Land Assistance Associations the competent authorities for the maintenance of asylums, institutions for the deaf and dumb, blind and cripples, and for persons suffering from nervous diseases.

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All the remaining functions of general assistance are administered by the District Associations, employing the usual organs of local self-government. These are for the towns the Bürgermeister, the Magistrat, or more generally committees composed of the leading welfare officials, members of council, officials of the local welfare centres and co-opted members experienced in welfare work. In the Provinces and Country Circles the provincial and circle committees are competent.

As stated above, a special committee, representative of the recipient classes and/or in particular of organizations which aid them, must be consulted when general regulations and scales of relief are being determined.

Although the District Assistance Associations are free to decide on the amount and manner of relief, they have to do so within the limits set by the Reich Law. This provides that the aim of public assistance is to enable the recipient once more to gain his own living. His working capacity must be prevented as far as possible from deteriorating. The idea that the mere relief of destitution is sufficient has been abandoned. The expression "poor relief" is used only once in the very first paragraph of the Reich Public Assistance Ordinance, and thereafter deliberately avoided. In its place we find "general assistance" or "general welfare." Relief, it is stated, cannot be confined to cash payments, nor should destitution be allowed to occur before the Public Assistance Authorities intervene. According to the Reich Principles of Public Assistance, the relief given must be sufficient to cover the necessities of life, which include maintenance, in particular, abode, clothing, and medical attention, aid to restore working capacity, and, in the case of children, training in so far as this does not fall under the purview of the Youth Offices. Blind, deaf and dumb persons and cripples are further to be given vocational training.

The normal scales of relief varied, according to my experience, in 1929 generally between 40-65 Marks per month for each single person, 20-35 Marks per month for wife, 15-20 Marks per month for each child under 14 years of age in need of relief.¹ The actual relief given varies around the norm according to the circumstances of the case. It can hardly be maintained that these sums fulfil all the ambitious requirements of the Reich Principles. To them must be added, however, medical care, domestic aid when a married woman is ill, considerable relief in kind, grants towards rent, instruction courses, payment of fares and supply of kit for people starting work, and so on. A person not habitually in receipt of relief may

¹ The scales of relief have been lowered during the past two years.

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obtain aid for some special purpose, notably payment of medical expenses (see above).

Persons in need of relief are such as are not capable of providing these necessities of life for themselves and their dependents and who have no other means of maintenance. Every person must endeavour to use his own powers to gain a living. In the case of able-bodied unemployed, attendance at the Labour Exchanges is generally made a necessary condition for the granting of relief. Cases of unwillingness to work should be severely investigated; the subjects may be confined to institutions or refused relief altogether. Naturally there is a good deal of variation in practice, owing to the difficulty of finding a satisfactory definition for unwillingness to work. It is, however, specifically stated in the Reich Law that a single instance of refusal of work does not constitute a sufficient ground for the refusal of relief. Appeal against the manner, amount, or refusal of relief must be allowed, according to Reich Law. In Prussia, if a Commune or Communal Association of less than 10,000 inhabitants does not wish to allow the objections, the plaintiff can appeal to the District Assistance Association.¹ In all cases further appeal is allowed to the Government District Committee, which finally decides.

Relief may be given in the form of work, if that is possible. The City of Magdeburg, for instance, employs some of its relief recipients actually on relief work, while many women are given employment in the Municipal Sewing Rooms, where the clothes and other articles are made which are distributed as supplementary relief in kind. The work thus provided is, rightly, of a very subordinate nature. Whether a person can be offered work or not depends on age, health, and family circumstances. No married woman may be offered work or refused relief on the grounds that she does not attempt to earn her living if it thereby means that her home would suffer. Women, however, who can leave their children in crèches or nursery schools are encouraged to do so if they can get a part-time job.

Persons who are blind or seriously maimed have, according to Reich Law, to be supplied with some kind of work and, if possible, training that will make them independent. These duties, which were formerly carried out by special *ad hoc* boards, have been transferred to the Land and District Assistance Associations. The sub-committees responsible for this branch of welfare must co-opt as members representatives nominated by associations of such persons, together with representatives of the local employers' organizations.

It should be noted that the old idea of poverty being the result of some serious delinquency on the part of the impoverished persons has

¹ The Circle.

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been abandoned. An exception is made of persons judged to be morally responsible for their necessitous condition. They are to be given institutional relief. The others are to have, as far as possible, out-relief and to be provided with work. In face of the terrible facts of the past years, when the majority of people receiving Public Assistance have been able-bodied unemployed no longer entitled to insurance benefit, the old attitude could not be maintained, and, as has been stated before, the term "poor relief" has in most cases been dropped. In its place is a General Assistance going far beyond the bounds of the old poor relief, and if the organization is more efficient than the relief is sufficient the general impoverishment of the German nation and the large number of persons in need of relief must be borne in mind. Naturally the spirit and practice of poor relief vary greatly, despite any legal regulations, since they depend to a large extent on the outlook and views both of the Welfare Committees and of the Welfare officials themselves.

Higher Assistance.

In addition to persons receiving General Assistance there is another group in receipt of the so-called Higher Assistance. These must, according to Reich stipulation, receive relief generally at least 25 per cent. in excess of the General Assistance rates. Some instances have already been cited above. They are persons who have either rendered exceptional services to the community or who, despite previous provision made by themselves or by others on their behalf, have yet been reduced to a necessitous condition through circumstances entirely beyond their control. The catastrophic agencies referred to are chiefly the War and the inflation. The latter part of the distinction is indeed a somewhat arbitrary one, and could be made to apply to classes other than those specially favoured by the Law. The real reason for the distinction lies in the dislike felt to placing persons of the middle classes, who have lost their small means in the inflation, in the same category with recipients of General Assistance. All recipients of Higher Assistance are considered rather in the light of pensioners.

Social Assistance: Disabled Ex-Service Men and "War Survivors."

Of primary importance in this higher class is the assistance of disabled ex-service men and "war survivors." Although the way was prepared by long years of Communal work during the War, the Reich has assumed responsibility for this branch of Public Assistance, which is carried out by the local self-governing authorities on its behalf and in augmentation of the Reich Pensions Schemes. This method makes some adjustment to local and particular needs possible.

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The organization is laid down by the Reich in the Ordinance of 1st February, 1919, as amended by the Ordinance concerning the Duties of the Public Assistance. At the apex stands the Reich Committee. This is formed at the Reich Ministry of Labour, and issues general regulations. It is composed of (1) representatives of the main relief Centres for disabled ex-service men and war survivors in each Land; (2) eight representatives of such associations of disabled ex-service men and War survivors "whose influence extends to the whole of the Reich"; and (3) three persons experienced in social work. The Minister of Labour decides which Relief Boards and associations of disabled ex-service men, &c., are to be represented. The constitution of the committee and any alteration in its composition need his approval.

Actual assistance is administered by the Central and Local Assistance Centres. In paragraph 34 of the Reich Assistance Ordinance the duties of the old Central and Local Assistance Centres are handed over to the Land and District Assistance Associations, to be allotted according to the general principles regulating the division of functions between those bodies. Each of them must have, when general provisions and regulations are formulated, a special committee to assist them. This shall be composed of representatives of the local associations of disabled ex-service men and war survivors, of employers' associations and trade unions, and persons experienced in welfare work. Prussia stipulates that the number of representatives of disabled ex-service men and War survivors shall be at least two, and must be equal to the number of other members on the committee.

The aim of this branch of Higher Assistance, called Social Assistance, is beyond the provision of financial relief, to enable disabled ex-service men to become capable of earning their own living, to advise them professionally, and to train them for some employment; further, to give them notice of suitable work available, and to help them, by the provision of clothes, payment of initial travelling expenses, and so on, to undertake such employment. Medical care is, of course, included. When permanently disabled they are to be given general care and medical attention, maintenance for themselves, and, if necessary, for their dependants. The same regulations apply to the assistance of war survivors. The conditions for the granting of Social Assistance are much less stringent than those applying to General Assistance, a higher level of income being regarded as entitling to relief. This is in consonance with the fact that the Social Assistance is supplementary to the Reich Pension Schemes, while the recipients are to some extent persons who have rendered particular services to the community.

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Small Pensioners, Social Pensioners, and Others.

The assistance of the old people and people incapable of work who, but for the inflation, would never have needed relief, was for long left unregulated by law. Now they are placed under the Higher Assistance. When assistance is granted, consideration has to be taken of their former circumstances. Specially generous aid has to be given to old persons of over 65 years of age. In like fashion old people, and such as are incapable of work, who have been insured under the Manual and Clerical Workers' Insurance Acts, have to be granted Higher Assistance when their pensions, greatly reduced by the inflation, prove insufficient to maintain them. Old people and those incapable of work, who, despite the fact that they have led an "economical" existence, are still unable to support themselves, can also be placed in the same category as the small pensioners, even though they are uninsured. No legal definition of what constitutes an economical existence is provided, the matter being left entirely to the discretion of the local authorities.

The Higher Assistance is thus an emergency measure. It is, however, quite probable that the principle of the supplementing of pensions will be maintained even under better circumstances.

Unemployment Relief.

Until reformed by the Employment and Labour Exchanges Law of 15th February, 1927, unemployment relief was provided solely by the District Assistance Associations. By some it was organized in the form of insurance, by others it was administered purely as relief. Towards the expenditure of the local authorities the Reich contributed eight-ninths for the first 52 weeks of unemployment. Since 1st April, 1927, the Reich Insurance Scheme has been in operation—a reform which was long overdue. The financial position of the local authorities was thus apparently greatly improved, especially as after the cessation of insurance benefit the Reich contributed 75 per cent. towards a further non-contributory relief scheme, known as the "Crisis Relief" (administered centrally). The period of benefit under the Insurance Scheme was however reduced to 26 weeks (1928), the waiting period, except in the case of seasonal or "short-term" contributors, increased from 13 to 26 weeks. Under both schemes therefore the maximum period of benefit was 52 weeks as before, after which the unemployed were again dependent solely upon the District Assistance Association for relief. The relief to local finance was thus more apparent than real. Moreover, owing to the fact that the insurance benefit for the lower grades is often less than the minimum existence rates laid down by the District Assistance Associations, the latter are in such cases forced to make

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supplementary allowances. Certain ameliorations have since been granted under the Crisis Relief, which was extended in 1929 to cover a number of hitherto excluded occupations, and the Communal contribution reduced to one-fifth.

The so-called Welfare Unemployed comprise such persons as have no claim to insurance benefit because they have not yet qualified, were not in insurable occupations, or whose income was above the insurable limit; further, those whose claims to benefit are exhausted. Workers engaged on emergency undertakings carried out by the local authorities with grants from Reich and Land are not generally included in this category for statistical purposes. Those who are offered work by the local authorities as an alternative to relief, on the basis of the Ordinance concerning the Duties of Public Assistance, p. 19, are on the contrary included, together with the "Pflichtarbeiter," or persons performing compulsory labour over a short period as a test. In any case these workers form but a small proportion of the total Welfare unemployed (for the towns, 31st March, 1931, approximately 13½ per cent.).

It was estimated by the Städtetag in May of this year that the following sums had been expended by the local authorities on Welfare unemployment relief: 1927-8, 65 million Rm.; 1928-9, 125 million Rm.; 1929-30, 210 million Rm.; 1930-31, *circa* 500 million Rm. In his commentary to the Emergency Programme of the Städtetag, submitted in August to the German Government, the President, Dr. Mulert, puts the figures for Welfare unemployment relief and local contributions to the Crisis relief together at: 1928-9, 160 million Rm.; 1929-30, 270 million Rm.; 1930-1, 605 million Rm.; 1931-2, 1,040 million Rm. The last figure is naturally but an approximation. In view of the rapid increase in the numbers of the Welfare unemployed and the present financial crisis it is difficult to give any precise estimate of the probable ultimate expenditure for the current year. The increase is the more striking if it be borne in mind that assistance rates have been falling during and since 1930, at first slowly and then more rapidly.

At the beginning of the financial year 1930 the number of Welfare unemployed was computed to be 420,000. By the end of the year it had risen to close on a million, giving an average over the whole period of 680,000 (average rate of relief, including relief in kind, 750 Rm. per head). At the end of June, 1930, the figure had already reached 1.1 millions, of which 747,000 alone were accounted for by the Town Circles.

A change in the distribution of the unemployed between the three relief categories has taken place concurrently. Whereas in April, 1927, the recipients of Unemployment Insurance benefit represented

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61.2 per cent., in 1930 they represented 52.9 per cent. in 1931 (end of April) 43.3 per cent. of the total registered unemployed. The number of those on Crisis relief had increased during the same period from 12 to 20 per cent. of the whole. Complete statistics for the Welfare unemployed are available only since August, 1930, when they comprised 15.7 per cent. of the total unemployed. By 30th April, 1931, the figure had risen to 22.7 per cent. This process is continuing. Total unemployment figures dropped from the peak in February, when they reached 4,972,000, to 3,848,000 at the end of July. During the same period the numbers of insured unemployed decreased from 2,589,000 to 1,412,000, while those in receipt of Crisis Relief and Public Assistance rose until in July they stood at 1,027,000 and 1,148,000 respectively. Of every 100 persons in receipt of "economic assistance" on 31st March, 1931, it was estimated by the Städtetag that 45 were Welfare unemployed and 7 recipients of subsidiary relief. These alone, therefore, accounted for 52 per cent. of the persons in receipt of economic assistance.

The following table is given by the Städtetag (Union of Towns):—

	End of June. Recipients of Relief.	Per cent.	End of July. Recipients of Relief.	Per cent.
Unemployment Insurance ...	1,412,000	35.7	1,205,000	30.2
Crisis Relief	941,000	23.8	1,027,000	25.7
Public Assistance (recognized Welfare unemployed)	1,100,000	27.8	1,148,000	28.8
Further unemployed	601,000	19.7	608,000	15.8

The subject has been treated in some detail in order to make plain the nature of the crisis which is facing the German local authorities. Without the economies proposed in the Emergency Programme there would be an estimated deficit of 800 million Rm. on the expenditure of the local authorities, due in part to a falling off in revenues but also to the unprecedented increase in the numbers of the Welfare unemployed. Without this increase the local authorities claim that they would yet have been able to balance their budgets.

The Städtetag advocates the co-ordination of the two systems of Crisis and Welfare unemployment relief into one system, to be administered by the Public Assistance Associations, and towards the costs of which the Reich shall contribute 50 per cent., Lands and local authorities 25 per cent. respectively. It may be noticed in passing that this would be of doubtful advantage for the unemployed themselves since it is proposed to operate the whole system on the principles of Public Assistance, with its more stringent conditions for relief. Critics of this proposal point out the dangers inherent in the local expenditure of money centrally raised, while proposals to

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transfer the entire administration to the Reich are criticised on administrative grounds. There are dangers inherent in either system, but neither could be more calamitous than the arrangement which enables the Central authorities to shift their burdens on to the Public Assistance Associations. It is becoming increasingly evident that some form of compromise will have to be effected, even if it be nothing further than the extension of the period of Crisis relief and the inclusion under this scheme of all insured occupations, with or without the accordance to the local authorities of a certain control over the administration of the same. For two things are clear: Unemployment relief cannot under present conditions be confined to insurance, while with the localization of industry, and hence of unemployment, no body except a central one is able to stand the strain of unemployment relief. National assistance must therefore be devised. As this can, however, only be administered on a uniform basis, it is difficult to see how such central relief alone is to suffice. On the local authorities would still fall the task of giving supplementary assistance, according to individual circumstances, and of relieving those persons who cannot be brought under any uniform scheme.

Productive Relief.

The policy of the relief of unemployment by means of public works, called in Germany "Productive Relief," was early pursued in that country. It was, however, the local authorities, and not the Reich or Lands, who were the pioneers in this field. By undertaking enterprises and judiciously selecting the period at which they were carried out, they have endeavoured to relieve unemployment in their districts. These emergency undertakings aimed at increasing the production of food and raw materials, at supplying the basic needs of industry and at improving the channels of communication. They have been largely of a constructional nature. Recent developments have occasioned the almost complete reversal of this policy.

The Reich has contributed in the form of loans to local authorities, generally with the stipulation that the Lands should contribute a like amount. The loans have been as a rule equal to about six times the estimated saving in Public Assistance, at most some 80 per cent. of the costs of the undertaking.

Labour Exchanges.

The Public Labour Exchanges were started originally by the Communes, who ultimately won support for them, despite initial hostility, by handing over general control to commissions composed of an equal number of representatives of employers' and labour organizations, with an independent chairman appointed by the Com-

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munes. The need for inter-communal co-operation was soon recognized, and Labour Exchange Associations were formed as early as 1898. In 1922 the Reich incorporated the Communal Exchanges in a national system. Actual administration was left, however, to the Communes, and the system of self-government by industry maintained. The chief officer responsible for general control is a Communal official, but he is aided by at least three representatives severally of the local employers' and labour organizations. Two-thirds of the expenses are borne by these bodies, while the remaining third is contributed by the local authorities. Some higher authority, in Prussia the Province, is responsible for regional supervision and control. The Exchanges have, when necessary, to maintain departments for the professions and for clerical workers. They administer the Reich Insurance since its introduction in 1927.

Maternity Welfare.

Maternity Welfare, in so far as this is regulated by the Ordinance concerning the Duties of Public Assistance, forms the last branch of the essentially "economic" assistance. It aims at guaranteeing to the uninsured mothers at least the same relief as is guaranteed to the families of insured persons under the Reich Insurance Ordinance. The passage in the Reich Insurance Ordinance regulating this matter runs as follows: "As weekly assistance the payments stipulated in Paragraph 195, Sections 1, 2, 3, are guaranteed; these comprise: Maternity benefit, 50 Reichspfennige (about 6d.) per day; and nursing benefit, 25 Reichspfennige per day. Paragraph 195A, Section 3, applies correspondingly." This runs "Female insured persons who were insured against illness, on the basis of the Reich Insurance or Friendly Societies Acts during the last two years before the birth of the child for at least 10 consecutive months, and in the year preceding birth at least 6 months, are entitled to the following assistance:—

1. At confinement, and in case of illness during pregnancy, nursing, and, if necessary, medical treatment.
 2. A single payment of 10 Marks towards the further costs of confinement, and in case of illness during pregnancy. If a delivery does not take place 6 Marks are to be paid.
 3. Maternity benefit to the amount of the sick pay entitled, but at least 50 Pf. per day for 4 weeks preceding confinement and 6 consecutive weeks immediately succeeding.
 4. As long as they themselves nurse their children a nursing benefit to the amount of half the sick pay, yet at least 25 Pf. per day, till the end of the twelfth week after birth.
- The payment of maternity benefit may be extended for another

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two weeks before birth if the doctor maintains that confinement will probably take place within six weeks, provided that the person concerned is not working for wages. If the doctor is mistaken the patient has the right to receive maternity benefit from the date given in the medical certificate until the time of confinement. If the person works for wage only half of the maternity benefit is paid."

Thus, besides the necessary medical treatment and nursing, the mother receives at least 10 Marks towards the further expenses of confinement, 3.50 maternity benefit, and 1.50 Marks nursing benefit per week, in all 66 Marks. This is a minimum payment. Many District Assistance Associations pay more, while assuming the whole costs of confinement. Some extend the period of nursing benefit to a year, while all supplement their aid by the provision of relief in kind—e.g., packets of food, clothing, bed linen, and milk. The payment of extra nursing benefit is generally made dependent upon regular attendance at the Welfare Centres.

The aim of the maternity benefit is to encourage poor mothers to cease working for some time before and after confinement, and of the nursing benefit to encourage them to nurse their own babies. Working mothers receive only half the weekly benefit during the time that they are at work after confinement. (Note.—The employment of women in factories is forbidden by law for eight months before and after confinement.)

Legal Advice Bureaux.

An admirable Welfare service is carried out in some German towns in the form of Legal Advice Bureaux. These are designed especially to help poor people who cannot afford to engage legal assistance and who yet, being without it, are completely at a loss when confronted with some charge in the courts. The Advice Bureaux are also supposed to further the cause of social peace by education in the law, diminishing by this means the number of legal conflicts. Both aims are the better attained the nearer the bureaux approach the legal aid bureaux. Hence a few of them also undertake solicitors' work.

Care of Children and Young Persons.

The care of children and young persons, in German terminology "Youth Welfare," which began chiefly as the care of illegitimate and destitute children, has been extended until it forms perhaps the most important branch of German welfare. This is especially the case at the present time, when the nation is endeavouring to efface the physically and morally degrading effects upon its children and young people of the War and post-war periods. Its many functions

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are for the most part centralized in the Youth Offices, working in close conjunction with the Welfare and Health Offices, the Youth Offices being often indeed simply special departments of the Welfare Offices.

The organization of Youth Welfare is determined largely by the Reich and Lands. The local authorities are left freedom simply in deciding how they will allot the various functions among the three Welfare departments.

At the head stands the Reich Youth Office. This is composed of the Reich Committee for Youth Welfare at the Ministry of the Interior, together with the Government of the Reich. On this committee the Land Youth Offices are represented. In addition the important Paragraph 9 of the Reich Youth Welfare Ordinance applies. This regulates the composition of Youth Offices and provides that leading officials of the Youth Welfare are to be included among the members, also men and women experienced in Welfare work, in particular representatives of voluntary associations and of the Youth Movement.

The duties of the Reich Office are mainly co-ordinative. It has to support all efforts on behalf of the care of young people, to focus all experience in the field of Youth Welfare, and to keep the Land Youth Offices informed and in other ways to provide for the application of the total body of experience gained in Youth Welfare.

In the second instance come the Land Youth Offices. The Lands are left free to decide what bodies shall act in this capacity. The Reich Law specifically states that large Lands can set up several Youth Offices but that small ones can co-operate in the formation of a single one. Districts from different Lands may even be associated for this purpose. This is an interesting attempt to disregard in at least one sphere of administration the ridiculous and uneconomic limits set by Land boundaries. The composition of the Land Youth Offices is regulated by the Lands, except that Paragraph 9 of the Reich Youth Welfare Ordinance must apply. Further, the Local Youth Offices must be represented thereon, together with representatives of the various Boards of Justice specially concerned with the care of children and young persons.

The duties of the Land Youth Offices are entrusted in Prussia to the Provinces. They may be handed over to the Land Welfare Offices or to other Welfare departments set up by the Provinces, subject to the condition that special committees are formed according to the regulations concerning the composition of Land Youth Offices. Their composition in general is the same as that of any other committee of a local body, except in so far as it is modified by the afore-

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mentioned provisions of the Reich and Prussian regulations, according to which the Government President has to be a member, while school and health experts and factory inspectors must be co-opted in at least an advisory capacity.

The duties of the Land Youth Offices are enumerated by the Reich. Prussia adds nothing further. They comprise the drawing up of common regulations for the whole district and the taking of suitable measures to ensure an economical and uniform discharge of the functions of Youth Welfare. The Land Youth Offices have to advise the Local Youth Offices with regard to their duties and, like the Reich Youth Office, circulate information. They have to erect common institutions for the whole district, bringing into co-ordination in particular all those dealing with the care and supervision of minors who are in dangerous circumstances. They have to co-operate in the carrying out of the "Welfare upbringing," and lastly, they must further voluntary Welfare work, encouraging the Local Youth Offices themselves to work in co-operation with voluntary associations.

The main duties of Youth Welfare are left to the Youth Offices. These have to be set up by Communes or Communal Associations. Prussia prescribes the Town and Country Circles as the responsible authorities. Country Communes and Communal Associations of more than 10,000 inhabitants may apply for permission to erect independent offices, according to the same procedure regulating their applications for carrying out the duties of District Assistance Associations.

According to Prussian amplification of the Reich Law, the governing body of each Youth Office must consist of (a) One to four members of the executive of the local Council, from among whom the chairman, who has the casting vote, must be selected. In the towns he is nominated by the Burgomaster; in the Country Circles the Landrat himself fills this office. These members must include leading Youth Welfare officials. So far as they are not appointed as regular members, the following officials must attend in an advisory capacity: The Circle Education Officer, the Health Officer, the Factory Inspector, and the Judge of the Court of Guardianship. If more than one such official exists in the district, the officials themselves select one of their number to serve on the governing body of the Youth Office. (b) At most five times this number, and at least ten men and women experienced in Youth Welfare work. Of these two-fifths must be selected from among voluntary associations on the nomination of the latter. The local authorities decide which associations are entitled to make nominations. The other three-fifths must include one Evangelical and one Catholic Priest, also one Rabbi, if

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there are churches in the district served by these dignitaries. These members are nominated by the churches themselves. Further, two teachers—one man and one woman—must be appointed. This provision, together with the corresponding one in the case of the Land Youth Offices, is dictated by the desirability of securing close co-operation between the Education and Welfare authorities. The remaining members are elected by the self-governing body itself from among its own members or, from among the inhabitants of the district.

The Functions of Youth Welfare.

(1) The economic relief of children and young persons is regulated by the Reich Ordinance concerning the Duties of Public Assistance, and has already been dealt with. According to the regulations of this law, medical attention, as well as vocational training, must be guaranteed when necessary. Among the categories to whom special care is to be given are war orphans and the children of disabled ex-service men. Functions of a Public Health character may be transferred to the Health Office and will be dealt with in the section on Public Health. (2) The Youth Office has to act in the following legal capacities: (a) It is the legal guardian of illegitimate children and must co-operate with the Court of Guardianship in all matters concerning them. (b) It can be appointed guardian in other cases if no other suitable guardian is available. Such appointment follows upon the written permission of the Court of Guardianship. (c) It takes care of and acts as the guardian of orphans. (d) It has to co-operate with the Court of Guardianship in carrying out the "protective control" of children and young persons and in the "Welfare upbringing," terms which will be amplified later. (e) It further has to co-operate in the supervision of the work of children and young persons and in the care of children and young persons in the police courts. (3) Certain functions are of an essentially protective nature. These include the protective supervision and Welfare upbringing already mentioned, together with the care of children boarded out.

Boarding Out.

All children under fourteen years of age who are continually or regularly for a part of each day in the care of strangers, and all illegitimate children are under the direct supervision of the Youth Offices, children cared for temporarily or without payment excepted. In the latter case notice of the fact must be given to the nearest Youth Office, but further control does not ensue. Illegitimate children who live with their mother or with their mother and father, holding the father's name, and those who live with their grand-

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parents may also be free from supervision so long as the Youth Office thinks it expedient. It is illegal to take care of a child against payment without first obtaining the permission of the Youth Office. Any person receiving such permission must further notify the Youth Office of the reception and departure of the child, of any change of dwelling, and in the case of death.

If children are boarded out by other Reich or Land authorities the granting of permission rests with those boards and not with the Youth Offices, although this power may be delegated to the Local Youth Offices. Further, the Land Youth Offices can exempt from supervision institutions which receive children, unless they for some reason hold supervision to be necessary. They can at any time reimpose supervision.

The breaking of any of these regulations is punishable by severe fines or by imprisonment.

The actual supervision is carried out by Welfare Visitors, who are responsible for examining the homes in the first place and for subsequent care. They visit the homes from time to time to ascertain whether the children are receiving proper treatment, and may recommend their removal if they think that this is not the case. Many children are boarded out on the initiative of the Youth Office themselves, such children being chiefly orphans, illegitimate children, and children in bad circumstances. Children needing temporary care are generally put by the Youth Offices into their own Children's Homes. Into these institutions come most of the children who are tended by the Youth Welfare for any purpose, and from there, after a period of observation, they are sent to the most suitable places of reception. Some are boarded out among families if the reasons for their withdrawal from home are mainly economic; others are sent to convalescent homes and hospitals, or to Public Youth Homes, which are run on the lines of boarding schools; others again to the Institutions of the Welfare Upbringing, whilst some for whom no suitable place of reception can be found remain in the homes. Here they may receive instruction or they are sent out to attend the day schools in their district.

If the legal supporters of the children cannot afford to pay the cost of boarding out, application can be made to the Welfare Office, which after examination of the case must, according to the regulations of the Reich Ordinance concerning the Duties of Public Assistance, if necessary, bear the expenses involved.

Protective Supervision.

Children and young persons who are in danger of mental, moral, or physical corruption owing to the nature of their surroundings,

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may be placed under the so-called "protective supervision." The Youth Offices have no power to do this on their own account, but must co-operate with the Court of Guardianship, which possesses the necessary powers of compulsion. Application for the introduction of supervision has to be made to this court, and may be made by the parents of the children or young persons, by their legal representatives, or by the Youth Offices themselves. The latter can, however, carry out supervision on their own initiative, provided that the persons legally responsible for the upbringing of the children or young persons are agreed thereto. In this case notice has simply to be given to the Court of Guardianship. Supervision is carried out by the "Helper" appointed by the Court of Guardianship. A private person may serve in this capacity, a society formed for the aid of children and young persons, or the Youth Office itself. The supervision does not extend to the control of the property of the person protected, except in so far as wages are concerned. With this exception the "Helper" may be appointed for the control of all matters where this seems necessary. He has compulsory access to his ward. Protective supervision ceases automatically when the person protected comes of age or if it is superseded by the Welfare Upbringing.

Welfare Upbringing (*Fürsorgeerziehung*).

The "Welfare Upbringing" constitutes a further and more drastic step in the protection of minors who, whether through neglect or from more potent factors, are in danger of corruption owing to their surroundings. If these are so bad that they constitute a danger even under protective supervision, minors may be withdrawn entirely. The Court of Guardianship decides on this measure, either on its own initiative or on application, just as in the case of protective supervision. The Welfare Upbringing lasts for the whole period of minority, but may be ended at the discretion of the competent authorities, in which case the Court of Guardianship has to be informed. It can still be imposed after the age of 18 years if it is likely to be successful, but not after the age of 20 years. Notice of the decision to impose it must be given to the minor himself, together with the reasons, unless the subsequent problem of upbringing and education would thereby be rendered more difficult. Immediate appeal against the decision is possible. The minor is to be given the greatest possible freedom in the choice of his place of reception. If he is placed in a family it must be in one of his acquaintance, at least until the end of school age. In this case he differs little from any other child boarded out, except that he is under the supervision of a different body and is subject to more vigilant protection. If he is

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placed in an institution he is to be placed as far as possible in one with which he is acquainted. Should he have no acquaintance of either kind, he may not be placed in a family or institution without his consent or that of the person legally responsible for his upbringing. How much value this regulation has in practice it is difficult to say—probably not very much.

The Lands are empowered to nominate the Welfare Upbringing Boards, the Reich simply stipulating that the Land Youth Offices should, if possible, act in this capacity. Prussia has, however, chosen to appoint the Provincial Committees themselves. The Land Youth Offices have simply to co-operate by the provision of information, admission of children to convalescent homes, and so on. Welfare Upbringing is the one branch of Youth Welfare which is considered a State service. The State contributes two-thirds of the expenses, the rest of which are borne by the Provinces. The minor or such persons as are legally responsible for his upbringing may be made to pay for his maintenance where this is possible, according to tariffs settled by the Minister for Public Welfare.

"The Welfare Upbringing" runs the Reich Youth Welfare Law, "aims at preventing or removing corruption, and is carried out in fitting families or institutions under public supervision and at public cost." The aim is an admirable one and the terms of the law consistently kind, but many people are feeling to-day that all is not well with the Welfare Upbringing. The chief criticisms are directed against its institutions. Actually only minors who are already to some degree corrupted should be placed in institutions, but from motives of economy other and quite innocent children are placed in them, with no attempt at segregation. Some children who should not be subjected to the Welfare Upbringing at all are placed under it because of the desire of the lower authorities to relieve themselves of expense. The results may be imagined. Moreover, although some of the institutions are run on up-to-date lines, many of them are still carried out on hopelessly old-fashioned and repressive principles. They are under State supervision. The Minister of Public Welfare in Prussia has to ratify their rules. He and, in the first instance, the Higher President are actually responsible for supervision, in which the Land Youth Offices must co-operate. State inspectors, however, do not always see behind the scenes, and are sometimes over-anxious to catch their trains. Nevertheless, the Welfare Upbringing, in conception if not always in practice, is an admirable service.

Crèches, Nursery Schools, and "Sanctuaries."

Youth Welfare in the narrower sense is augmented by the provision of crèches, nursery schools, and "sanctuaries," under the

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control of the Youth Offices. The degree to which this service has been developed varies, as it is at present no delegated function of the State. Children up to the age of three can be sent to crèches, while others from three to six years of age can attend the nursery schools, after which they go to the ordinary elementary schools. The "sanctuaries" are places to which children of school age, whose parents are at work during the day or who for other reasons cannot do their lessons or receive attention at home, may go during the afternoon. There they receive lunch and possibly also tea, they do their school lessons and are amused until it is time to go home. Crèches, nursery schools, and sanctuaries are in the charge of trained persons, with State qualification. Children may be sent there by the parents on payment of a small fee or they may be sent by the Welfare Offices themselves. In any case the fees are very low.

Homes for Apprentices.

Many towns, through the medium of their Youth Offices, maintain special homes for apprentices.

Choice of Careers.

One other function of Youth Welfare remains to be mentioned. Advice as to the choice of careers is provided in Germany by special departments of the Labour Exchanges, who have the best possible knowledge of the openings in the different occupations. Children on leaving school may go to these centres for advice. Here they are subjected to psychological tests and to medical examination by the school doctors.

Youth Hostels.

The German Youth Hostels, of which so much has been heard in this country in recent years, receive considerable support from the Welfare and Youth Offices. Some are, indeed, maintained solely at their expense. The Provinces are the chief contributors, but many large towns have their own hostels, situated sometimes within, sometimes beyond the city boundaries.

Public Health.

Public Health, under which heading are included in Germany all those Welfare functions which are of a medical rather than an economic or legal nature, is carried out partly in fulfilment of Welfare laws and of special Health laws, partly on the independent initiative of the local authorities themselves. Most of the functions of Public Health were originally started voluntarily by the local authorities and have been later rendered compulsory as the recog-

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nition of their importance has grown. Such are maternity and child welfare and the care of school children, which are carried out in fulfilment of the Reich Youth Welfare Law and the medical care of all persons coming under the Ordinance concerning the Duties of Public Assistance. The care of cripples and of people suffering from tuberculosis is regulated under special laws. Public Health functions, such as the control of water supply and drainage, the prevention of air pollution, food control, and bacteriological research are regulated partly by law and partly by police decree. These functions are mainly carried out by the police. Valuable services are rendered voluntarily by the local authorities in the sphere of prostitution and venereal diseases and in the care of inebriates, while the erection of hospitals is also to some extent a voluntary activity. Most local authorities carry their Public Health activities beyond the limits prescribed by law. The functions of Public Health are organised generally by the local authorities in a special department called the Health Office. This is organized in close conjunction with the Welfare and Youth Offices and is under the direction of a Public Health expert, who may be either a doctor or an experienced official. His work is mainly administrative. Under him serve a number of doctors, who are responsible for the carrying out of Public Health duties, apart from actual house-to-house visits. The latter fall to the lot of the Welfare Visitors or specially trained Health Visitors and Sisters. It is maintained to be impossible to combine the "inner" and "outer" services, much as this would be desirable. Attempts are made in some instances to render the doctors as familiar as possible with their patients by dividing their duties regionally; that is to say, general practitioners and not specialists are appointed, except where specialist knowledge is absolutely necessary. In Health Offices so organised one doctor is responsible for the whole of the Public Health and Medical Welfare duties in his district. He sees the expectant mother, he watches over the infant and small child until school age. His care is extended through the school period. Moreover, if the parents come under the care of the Welfare Offices he probably comes into contact with them and knows their case, his work on the children being rendered much more easy and effective in consequence. This organization is in fact the inner counterpart of the outer "Family Assistance." In less progressive districts, and in others in so far as regional co-ordination is not possible, the public doctors have special branches in their charge.¹ In most cases doctors who wish to qualify for Welfare service have to have had a satisfactory training in social hygiene, although legal regulations

¹ The Kreisarzt (Circle doctor) must have been trained in social hygiene, but this particular official is appointed by the State for the performance of those functions which are carried out by the Circles in their capacity as local State authorities.

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to this effect are wanting. For this purpose Academies for Social Hygiene, recognized by the State, have been erected in Berlin, Charlottenburg, Breslau, and Düsseldorf.

The Health functions of the Welfare and Youth Offices are generally handed over in their entirety to the Health Office, except in so far as the general Welfare Assistance medical service is organized on a panel system, in which case the authorities pay approved private practitioners to attend their patients. Even so, certain duties are performed by the public doctors.

General Hospitals.

As already stated, the Ordinance concerning the Duties of Public Assistance makes the Land Assistance Associations responsible for the maintenance of convalescent homes and specialized institutions. This does not debar the lower authorities from erecting such institutions should they so desire, provided the Provincial authorities deem this advisable. In particular, the large towns maintain a number of specialized institutions. Such institutions are comparatively expensive to maintain, and owing, indeed, to their specialized nature are generally only economically to be administered when operating for a large or densely populated area.

The general hospitals lie outside this system. They are erected voluntarily by the local authorities and constitute neither a delegated nor a compulsory service. Although in the country districts they also are often maintained by the Provinces, the Town Circles and larger Communes have their own general hospitals, which are co-ordinated into the municipal, public health, and welfare services.

The Communal Association for Public Health, with the Hospital Advice Bureau as its central organ, keeps the administration of the public hospitals under constant review. The committees of experts appointed in 1925 and 1930 to examine the system from the point of view of administrative economy and service provided, drew up detailed costing schemes, by means of which it was possible to make a comparison of costs between the different institutions and on the basis of which the committees made their recommendations.

Treatment in the public hospitals is not given free, except at the charge of the Welfare Offices. The fees do not as a rule, however, at any rate for the patients of more moderate means, cover the whole costs of treatment and maintenance. There is thus no gap in the system and no class of citizens is excluded from treatment.

The voluntary hospitals, maintained not so much by general donation as by various religious associations and charitable organizations, are indebted to the local authorities for grants, and often receive "Welfare" patients. There is no body operating the public

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and private hospitals as a single system, although the formation of local associations for this purpose was recommended by the committee of experts in 1930.

The General Assistance Medical Service.

All recipients of General and Higher Public Assistance are entitled to medical care and to treatment during illness. Formerly as many as possible were taken to institutions for treatment; now, upon humanitarian grounds, as many as possible are treated at home, just as out-relief rather than in-relief is granted in all but exceptional cases.

Home nursing is carried out by sisters, some of them attached to voluntary associations, others to the Health Offices. Domestic assistants may also be sent to take care of the home and to see to the housework if a married woman is ill. However, owing both to the general extension of the medical services and to the fact that satisfactory treatment at home is in many cases impossible, treatment in institutions has greatly increased. Public Assistance patients are not treated in special hospitals but in the general hospitals at public expense. Chronic cases and incurables are retained in hospitals and homes, while mental patients, epileptics, idiots, deaf and dumb, blind and crippled persons, and those suffering from tuberculosis are treated in the appropriate institutions.

At one time there used to be special Poor Relief doctors, each in charge of a certain district. The old system has now been largely supplanted by that of "free choice," according to which recipients of relief may go for treatment to any one of a panel of doctors approved by the Welfare authorities. This system meets with the approval both of the doctors and of the patients, the former because it suits their interest, the latter because it removes the stigma attached to treatment by the "paupers' doctor." The old system is defended on the grounds that the authorities must in any case have confidential doctors to advise them, that it entails less administrative work, and that treatment under the new system is not likely to be more efficient.

The doctors have not only to treat the patients but to advise and inform the Welfare authorities on all matters connected with their health and ability to work, and, if necessary, to attend the meetings of the District Assistance Associations.

For a good example of the working of the new system the town of Frankfurt a. Main may be quoted. Here, if a person in receipt of relief from the town becomes ill, likewise any person whose income does not exceed the relief scale by more than 50 per cent., he or she may apply to the local branch of the Health Office for a free pass. This has to be taken to one of the doctors approved by the town, or,

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as the case may be, to a dentist similarly approved. In emergencies the doctor may give treatment without the pass, but it must be applied for within three days. Medicaments prescribed by the doctor on a Welfare Office form are obtained free from the chemist. Patients can also naturally be treated at any of the town Welfare Centres or clinics.

Applications for special treatment and more expensive medicaments must be made by the doctor or Welfare Centre. They are subject to the revision of the confidential doctor of the Welfare Office, who is, in Frankfurt a. Main, the district officer of the Health Office, the total medical service being co-ordinated under that office. Application for certificates stating the bearer to be incapable of work also have to be made through this doctor. The bearer of such a certificate may not be refused "economic" relief on the grounds that he is not seeking work. Hospital treatment can only be given if application is made to the district branch of the Welfare Office by the doctor already giving treatment. He can also apply for domestic care to be given. For the payment of nursing expenses application has likewise to be made to the District Office.

Tuberculosis.

In the forty years preceding the War 1914-18 the number of cases of tuberculosis in Germany diminished regularly owing to better treatment, improvements in housing conditions, increased participation in games and sport, and the medical aid granted under the Social Insurance Acts. During and after the War it increased with alarming bounds, reaching its maximum in 1918, when 22.9 persons to every 10,000 living died of tuberculosis, while twice that number were estimated to have contracted the disease. Since 1918 there has been a steady improvement, although according to Prussian estimates in 1925 one out of eleven deaths occurred through tuberculosis.

Despite the urgency of the question, the treatment of tuberculosis is left to regulation by the Lands. In Prussia, according to the law of 4th August, 1923, all cases of tuberculosis have to be reported to the nearest Welfare Centre, attendance at which is compulsory on the receipt of a written notice. The Welfare Centres were started about twenty years ago on the French and Belgian models. They were originally intended mainly for the working classes, but during and after the War their sphere has been extended to include all who are suffering from tuberculosis. In addition to the fresh cases reported by public and private doctors and those discovered by the Health and Welfare Visitors themselves, all people released from sanatoria or convalescent homes are kept under observation. The

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necessity of close co-operation between all public and private bodies and the Welfare Centres in this matter is fully recognized. Application may be made by private individuals to the Welfare Centres, though from lack of knowledge this naturally does not often occur.

The Welfare Centres are staffed by doctors, sisters, and health or welfare visitors. Consultations occur as a rule three or four times a week, but sisters are generally in attendance every day to give advice.

House visits are made by the sisters and health visitors, whose task it is to impress upon patients the necessity for treatment, to give tactful advice as to the best measures to be adopted and as to the best methods of carrying them out, to give instruction in personal and domestic hygiene, and to demonstrate the use of the disinfectants provided gratis by the Welfare Centres. The economic side of the situation is, as usual, under the care of the Welfare Visitor.

Originally advice and diagnosis, but not treatment, were given in the Welfare Centres. Co-operation with private practitioners, it was maintained, is facilitated if the doctors at the Welfare Centres do not intervene. The Welfare Centres have, however, to arrange for treatment, even if they do not give treatment themselves. As satisfactory treatment, apart from the Welfare Centres, is in many cases impossible, the rule of non-treatment is being increasingly disregarded, since the available number of places in appropriate institutions is not large enough, while treatment by a private doctor cannot as a rule be sufficient. Many Welfare Centres have therefore erected clinics, where less urgent cases can be treated. The benefits of artificial sunlight have also been brought within the reach of large bodies of the public through the erection of special clinics, sometimes in connection with one or other of the Welfare Centres, sometimes at hospitals, where on payment of a small charge people may receive treatment, even when suffering from nothing worse than general debility. Such treatment is granted free to persons obtaining passes from the Welfare Offices.

German sanatoria are partly in public and partly in private hands. In this field the Provinces naturally play a larger part than the smaller authorities. Most local authorities, however, even when they do not own a sanatorium, are part owners thereof or give grants to associations formed for the combating of tuberculosis. Some of them maintain, in addition to convalescent homes, sanatoria and special wards in the general hospitals for the reception of hopeless cases, "Forest Homes," which provide an opportunity for rest and recuperation. These are, as a rule, day homes, and were originally intended for light cases of tuberculosis, but others are now admitted. The Homes are quite simple, consisting generally of one or more large rooms filled with rest stools, open to the sun and air,

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and with an adjacent dining room. In fine weather the patients can lie out in the open.

Inebriates.

The care of inebriates, says one German writer in somewhat characteristic fashion, is not simply a matter of philanthropy but of hard finance, because of its effects upon other branches of Welfare. It is carried out from special Welfare Centres, both public and voluntary, many of the latter having been set up by women. The Welfare Centres are under the care of some person, whether a doctor or an official, well experienced in Welfare work. At the Centres consultations are held and advice given, while in addition house visits are made by the Welfare Visitors in order that separate families may be treated individually according to their special needs. Efforts are made, if this seems advisable, to remove the patient and his or her family from their surroundings. Wherever necessary legal steps are taken, such as the introduction of Protective Supervision or of Welfare Upbringing for the children, the placing of the patient under tutelage. Food may be controlled, or the patient removed as a last drastic measure to a sanatorium for inebriates. All inebriates in receipt of Public Assistance are given relief as far as possible, not in money, but in kind, and it is transferred to the dwellings by the Welfare Visitors. If it is found that children are not properly fed they receive meals at school, free or at the parents' expense, as the case may be. Patients discharged from sanatoria are still kept under the supervision of the Welfare Centres so long as this is deemed necessary to ensure non-reversal to old habits.

Care of Cripples.

The care of cripples was originally a voluntary service of the local authorities, but is now carried out partly in fulfilment of the Reich Welfare Laws, partly according to special regulations laid down by the different Lands. It aims at making crippled persons capable of work, laying special value upon early treatment, since it is estimated that 90 per cent. of young cripples can be cured sufficiently at least to enable them to work. According to the Prussian Law of the 6th May, 1920, the care of cripples must include educational and vocational instruction, particularly in those cases where institutional treatment is provided. The Land Assistance Associations are responsible for maintaining institutions for cripples, where advice, care and attention can be given, including instruction up to the age of 21. Other relief has to be carried out by the Town and Country Circles, who must set up Welfare Centres.

The example of Berlin may be taken as illustrating this branch

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of Welfare. There, in accordance with the Prussian Law, all cripples up to the age of 18, irrespective of whether they are on other grounds under the charge of the Welfare authorities, must be reported to the Welfare Centre of the district by the following persons: Doctors attending patients likely to be crippled or already deformed, midwives at or soon after the birth of a crippled child, teachers and attendants on sick persons. Each case is reported to the nearest branch of the Youth Office (in other towns the Health Office is generally the competent department), giving the name, age and address of the patient, and the nature of the complaint. He is then invited to attend the Welfare Centre. Nobody is forced to do so, although legal enforcement is possible, except in cases of obvious neglect or misuse. At the Welfare Centres advice is given, patients are examined, and, if necessary, treated, as most Welfare Centres have clinics attached. If a patient cannot be treated at the Centre he may, with the consent of his relatives, be sent to a home, children and young persons being sent to special homes where instruction is combined with treatment. Patients in need rather of general care than of specialized treatment are sent to convalescent homes, to the sea, and so on. The expenses of treatment may be borne by the town if the patient is himself unable to meet them, even though he is not already in receipt of some form of public assistance. Application is made in the usual manner to the Youth or Welfare Office.

Venereal Diseases and Rescue Work.

Prussian inquiries held in 1900 and in 1914 revealed the fact that sex diseases are one of the great dangers of town life, but war and demobilization and terrible housing conditions have since carried them to every corner of Germany. The year 1919 found 20 per cent. of the German population under treatment for venereal diseases.

Before the War the public authorities were content simply with the police measures against prostitutes. Nothing whatever was done to deal with men. A beginning was made during the War when soldiers were treated in an attempt to prevent the spreading of the diseases at home. All men released from service who during service had suffered from venereal diseases were placed under the care of the Lands Insurance Institutes, who set up advice centres, thus relieving the local authorities of the necessity of doing so. The latter therefore confined their efforts to the erection of special wards in hospitals for the treatment of skin and venereal diseases (these being treated together simply as a matter of convenience).

Of late years the police measures have been developed to form a kind of rescue work for prostitutes. By dint of hard fighting by women's societies the police have at length been induced to take

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women into their service for this purpose. These are not women police but Welfare Workers who deal with the prostitutes only after they have already been taken into custody and examined. The position is still anything but satisfactory, since the very aim of the rescue work should be to avoid contact with the police, with its degrading and hardening influence. Moreover, only the very fringe of the problem is touched, since it is merely convicted prostitutes who are dealt with. No one will come willingly to a Centre connected with the police. Hence the local authorities have been driven to adopting other measures. In many places the examination of prostitutes has been taken away from the police. They are now sent to special "Care and Protection Centres," which undertake both the initial medical examination and proof of the statements made as well as the subsequent Welfare measures. Fallen girls and unmarried mothers, other than those actually taken into custody by the police, are encouraged to come to the Protection Centres for aid and advice. Measures are taken for getting them to hospitals or to lying-in homes, for inducing the fathers to assume responsibility, for obtaining them work, and last, but not least, for attending to their general health. From these Centres they can be put into touch with the other public departments under whose care they and their children can come—e.g., the Welfare, Youth and Health Offices.

Venereal diseases in general have been treated by the erection of special Welfare Centres for advice and treatment up to the point that this is possible outside a hospital. The Centres have to combat great difficulties arising both from lack of knowledge and false shame. The special dangers of the diseases are not realized by most people. Between infection and the outbreak of the first symptoms a shorter or longer period elapses, but the illness is already infectious. It is further difficult to induce patients to continue treatment long enough to effect a complete cure. Such factors, however, have to be combated anywhere, and do not detract from the valuable nature of the efforts made by the German Welfare Centres.

Maternity and Child Welfare.

A comprehensive Welfare service must include care of the expectant mother, care at and after confinement, as well as the subsequent care of mother and child. Maternity and child welfare, conceived not merely as a medical but fundamentally also as a social service, started in Germany with the care of unmarried mothers and illegitimate children, with orphans and deserted babies. The care of mothers is indeed recognized as being still very imperfect, although considerable progress has already been made. Economic relief has already been dealt with. Many authorities assume the

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whole cost of confinement for necessitous mothers, beyond the 10 Marks minimum laid down by law.

Expectant mothers are invited to attend the Welfare Centres originally intended for infants. It was felt desirable to hold the consultations in these same Centres in order to encourage the mothers to bring the children there afterwards. There they receive medical, legal, and, where necessary, economic aid. They are advised with regard to the payment of insurance benefit, with regard to the responsibility of fathers in the case of unmarried mothers, and with regard to arrangements for reception in lying-in homes. A questionnaire of the economic circumstances of each mother is drawn up for the use of the Welfare Office. From about the seventh month before confinement at most Centres food and milk cards are given to necessitous mothers, which entitle them to regular packets of food and Grade A milk from the public kitchens. In some districts the food and milk is conveyed direct to the home by the Health or Welfare Visitor. This is in fulfilment of the Reich Welfare Laws, which consistently maintain that assistance cannot be confined to monetary relief. Other mothers not in attendance at the Centres can receive these cards on the application of their doctors, subject, of course, to the revision of the Welfare Office. According to the Reich Welfare Ordinance, mothers who are entitled to receive maternity and nursing benefits under that law must be given medical treatment in case of need. Some voluntary associations and public authorities send, besides nurses, housekeepers to relieve the mother of housework, and to superintend the home if she is ill.

The deficiencies of the service lie in its institutions, of which there are still far too few. It is particularly difficult for unmarried mothers to find lodgment. A few homes take in expectant mothers, whose social conditions are specially unfavourable, about six to eight weeks before confinement. Here they have to do some light housework in return for their maintenance. This is a particularly interesting experiment, the development of which is largely retarded owing to lack of funds. Lying-in homes maintained partly at private and partly at public expense are more numerous, although not yet sufficient. The mothers generally have to leave at the end of eight or ten days. It is absolutely impossible to keep them until there is no further danger.

Maternity Homes where mother and child can stay for six weeks (the legal period of protection) are very few. A few large public and small private institutions do, however, exist, although they are difficult to maintain on the score of expense. In these also the mothers do some light housework. Lying-in and Maternity Homes are as a rule not free, though the fees are reduced for necessitous

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persons, while in extreme cases the Welfare Office pays them. The same holds good for Infants' Nursing Homes and Hospitals.

Welfare Centres for Infants and Small Children.

Infants' Welfare Centres, first started in Berlin in 1905, carry on the work begun with pre-natal care. Here mothers and foster-mothers may receive free advice for their children; treatment, it must be noted, is not given. If treatment is necessary the mother is told to take the child to a doctor, and the usual application to the Welfare Office can be made in the case of poor mothers unable to pay the expenses of treatment. Certain relief in kind can be given, particularly milk for children not nursed by the mothers, while extra nursing benefit is sometimes allowed. Many authorities make the payment of ordinary nursing benefit conditional on attendance at the Welfare Centres. Others undertake to pay out the insurance benefit and thus get into contact with a large number of poorer mothers. The Welfare Visitor is always in attendance. It is her business to examine the economic circumstances of each case, to visit the homes, and to see that the advice given at the centres is carried out and the nursing benefit and relief in kind properly employed. The advantages of the Family Welfare system are here obvious since the Welfare Visitor already knows many of the mothers and double work is thus avoided.

At one time there was a large gap in the Welfare Service, which included infants and school children but left out small children between the ages of two and six. During the War the Welfare Centres extended their activities to include all children up to six years of age. Separate consultations are held, however, for infants and larger children. At present most of the activities connected with the care of children are entrusted to the Welfare Centres for execution. The following is a list of the functions carried out by the Welfare Centres in Berlin:—

1. The bringing of all new-born infants (reported from the Registry Office) within the sphere of the Welfare Services, so far as this is necessary.
2. Supervision of the orphans in the care of the town of Berlin up to the age of six through house visits and invitations to attend the consultations held at the Welfare Centres.
3. Supervision of illegitimate children under public guardianship up to the age of six.
4. Care of children boarded out, including continuous supervision of the homes and medical supervision of the children.
5. Distribution of nursing certificates on behalf of the Reich Maternity Insurance authorities.

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6. Performance of the necessary duties connected with Maternity Welfare.
7. Aid to nursing mothers through the granting of milk in suitable cases.
8. Care of expectant mothers from the social standpoint; as far as medical care is concerned each Welfare Centre works in close co-operation with a lying-in home and a hospital.
9. Supervision of the crèches and nursery schools in the district. Examination of the children newly received and of those continuously ill.
10. Provision of food on behalf of the Quaker Relief Organization. Distribution of groceries to the persons entitled.
11. Vaccination of children for the district (first time).
12. Treatment of syphilis.
13. (Only in the district Kreuzberg.) Courses for pupils of continuation schools in amplification of biology lessons and those concerning children.
14. (Only in Kreuzberg.) Family Welfare in close co-operation with the Welfare and Youth Offices.
15. Testing of milk.
16. Upkeep of a Milk Kitchen.

Thus care begins with the expectant mother and is carried on until the child is of school age, when he is handed on to the school doctor who under the District Divisional System is the same person who has already had him under observation.

Milk Kitchens.

Milk kitchens, originally set up as separate institutions to provide pure milk for infants, are now generally connected with a Welfare Centre, in co-operation with which their work becomes more valuable. They have also extended their activities to include the supply of pure milk to all the institutions of social welfare and public health.

School Children.

The School Medical Service, which is a compulsory duty of the local authorities, can be divided into two parts—school hygiene and school medical care. The inspection of school buildings is carried out by the school doctor, who sees that regulations are conformed to and suggests improvements. In fact, these suggestions very often exceed the requirements of the, in some cases, antiquated school regulations. Most modern German schools are provided with baths, not swimming baths, but large rooms containing a number of shower baths and a plunge bath. These are of particular value in elementary schools.

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The School Medical Service is carried out by school doctors, sisters, and welfare visitors. School doctors may be specially appointed by the Welfare authorities to carry out nothing but school work; they may be public doctors carrying out school work as part of their duties or they may be private practitioners engaged specially for this purpose. The system of school medical examinations is somewhat as follows: The child is examined at the beginning of the first school year, then at periodic intervals (generally every two years), and finally on leaving school, this time in co-operation with the Labour Exchange. Examinations take place as a rule in the presence of the parents. The doctor is aided in his work by specially trained sisters. He does not himself give treatment apart from first aid, the aim of the school inspection being simply to detect the unsound children, to arrange for treatment, and to protect the healthy ones, if necessary, by segregation of the unsound. If children are in need of treatment their parents are advised to take them to a doctor, while, if it is necessary to send them away for treatment, arrangements are made through the Youth or Health Office, as the case may be, with the homes and institutions in question. Cripples and tubercular children are sent to the appropriate Welfare Centres, while defective children are sent to special schools. If the parents are themselves unable to bear the expenses of treatment application is made to the Welfare Office. The Welfare Visitor of the district is always in attendance at examinations. It is her duty to maintain a record for the use of the various Welfare bodies who come into contact with the child and to advise the Welfare Office as to the assumption of expenses by that body. Her knowledge of the child's home conditions is a great aid to the doctor when deciding what form of treatment is the most suitable.

Children needing constant care are placed under special supervision. For this purpose the school doctor holds regular consultations once a fortnight or even more frequently, sometimes in the schools, sometimes at the ordinary Welfare Centres, the children being sent by the teachers or selected by the doctor at his periodical examinations.

Of open-air schools there are not many in German towns. There are, however, Forest Schools, where children in need of change and recuperation can be sent for a certain period. Children are also sent to holiday camps and country homes.

The school dental inspection is naturally separate. Most Welfare authorities have set up their own dental clinics since private treatment has generally proved too expensive.

One other measure of school welfare remains to be mentioned. Lunches and dinners are provided at reduced prices or free of charge.

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The food is generally prepared in the public kitchens, which may or may not be attached to the schools. It may be provided on the application of the teachers or ordered by the Welfare Health or Youth Offices in connection with other branches of Welfare.

Social Hygiene.

Social hygiene, according to German definition, includes all those measures of Public Health which do not deal mainly with individuals but aims at protecting and benefiting the entire community largely through measures of a preventive nature.

Under this heading come drainage, water supply, and air pollution, the importance of which was not recognized until comparatively recently; measures against the spreading of disease, research into the causes thereof and location of the infection centres, measures for improving the general health of the community, such as the provision of parks and open spaces, sports grounds, baths, sun-bathing establishments, &c., and, one is tempted to add, cheap travelling facilities. Some of these subjects will not be dealt with here as they can be more profitably treated in connection with other "communal" enterprises and services.

Drainage, Water Supply, and Air Pollution.

The control of drainage and water supply, as far as considerations of Public Health are concerned, is carried out in Germany not directly by the local authorities but by the police, the local authorities participating therein in those towns where the police are a local and not a state force. Police regulations are, however, confined to the enumeration and enforcement of minimum requirements, and the approval of constructional schemes. As the undertakers of large building enterprises, in which the public doctors stand as advisors to health, often maintaining standards which go beyond the minimum requirements demanded by the police. The sanitary inspection of houses is likewise a function of the police, as indeed is almost anything which entails the possible imposition of a fine. Instruction in personal hygiene is carried out by the sisters, nurses, and health visitors of the various medical and welfare services.

The control of air pollution is carried out by the sanitary police. According to Paragraph 16 of the Reich Business Ordinance it is forbidden to set up factories or plant which may become a serious public nuisance. Pollution of the air can be accounted a public nuisance. Likewise Paragraph 23, which is subject to amplification by the Lands, states that premises of certain kinds can be prohibited from certain districts, or at least only allowed with the most modern of

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scientific devices. Such regulations are further laid down by the Prussian Housing Law, Section 4, Paragraph 132, by the Saxon General Building Ordinance, &c. Communal town-planning schemes and most new local building ordinances issued by the police make use of these provisions to banish all factories to one part of the town. Far-sighted municipal authorities have purchased large tracts of building land, which they hold in readiness to lease to industrial undertakings on favourable terms. These so-called industrial districts usually lie in the north or north-east of the towns, so that the smoke from the factories is carried away altogether from the dwelling quarters by the prevalent S.W. winds. Further, in some towns special engineers are employed, under local police orders and bye-laws, to inspect and control heating.

Inspection of Foodstuffs.

Food Research Institutes were set up originally by the police with a view to examining foodstuffs and delicacies (e.g., sweetmeats) and controlling the traffic therein sufficiently to prevent the selling of bad materials; for carrying out the regulations concerning the purveyance and use of poisons; for combating the use of quack medicines; for testing gas and drinking water; for testing the material supplied for public enterprises and institutions.

After the immense increase in food adulteration following upon the Franco-German War, the Reich Food Law of 1897 was passed, encouraging the establishment of further institutions by the local authorities themselves through the provision that fines, so long as they were due to the State, were to be handed over to those authorities who maintained Food Research Institutes. Most progress along these lines has been made by the smaller Lands and by Bavaria, Saxony, and Württemberg. Many authorities, instead of maintaining their own institutes, make agreements with State or private institutes. Owing to this dual system it often happens that in one and the same district there are two Food Research Institutes, one belonging to the police, the other to the Commune or Province. Generally a division of labour takes place, the municipal or State institutions concentrating more on the task of actual research, the police on the control of traffic in foodstuffs and the detection of offences.

Infectious Diseases and Bacteriological Research Institutes.

Under the Reich Law of the 30th July, 1900, not only the expenses of the functions of bating of dangerous diseases, the Land as that the Districts compel the Communes to erect and maintain of Welfare measures for the combating of infectious disease in order to avoid impure drink, measures to remove danger arising from

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tank water and waste matter. The regulations laid down by the Lands in amplification of the Reich Law do not vary very much. Prussia enumerates the necessary institutions and apparatus as being: observation and isolation wards, disinfection apparatus, means for attending the sick, mortuaries to which dead bodies may be removed within a certain period after death, and cemeteries. These are the minimum. The provinces are authorized under the Ordinance concerning the Duties of Public Assistance to deal with pests and plagues.

In the fight against infection the importance of locating the centre of infection is obvious. Hence provinces and towns have erected Bacteriological Research Institutes, generally with disinfection schools attached. Their duties are to ascertain the nature of disease and to locate the different cases and to inspect the town or provincial sanitary system. Some of them have developed into Institutes of Hygiene, and carry on research into air pollution and purification, ventilation and heating.

The diagnosis of cases follows upon the application of the public doctors, of private practitioners, or even of private individuals. In the first case it is made free of charge, in the two latter also free of charge for poor persons. The charges are in any case nominal.

Disinfection.

Disinfection Institutes are set up in all large towns and generally also in the provinces. Sometimes they are separate, sometimes attached to some public enterprise, such as the fire brigade, or to a hospital. According to legal regulations, measures for disinfection must be carried out both during and after illness, during illness by the attendants on sick persons themselves under the supervision of the doctor in charge or, if necessary, of the Disinfection Institute, after illness solely by the Disinfection Institute. The work is carried out by officials trained in the Disinfection Schools. After taking a ten days' course and satisfactorily passing the tests they obtain a certificate as State Disinfectors. They are Communal officials under the control of the Health Offices.

Welfare and Public Health: Summary.

The wide interpretation given to the term "Welfare" in Germany is the point. It is by no means synonymous with "Poor Relief" according to "Public Assistance," which designates only one of its many-sidedness. The number of services originally independent have grown, and are, to form the wider body of "Welfare." It is wise Paragraph 23, of administrative co-ordination but of the growth, states that premises of conception which, though very difficult to express in words does nevertheless exist.

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The three main divisions into which Welfare is classified in Germany, namely, Economic, Youth and Health Welfare, correspond roughly to its organization into Welfare, Youth and Health Offices. It is highly legalized in nature, even the composition of the organs of the Assistance Associations being regulated by the Reich and Lands. Most freedom is left in the case of General Assistance. Absolutely detailed regulations are provided for the care of disabled ex-service men and the organization of the Labour Exchanges, since these are looked upon as delegated functions of the Reich. The general principle observed is that local government committees shall be formed, augmented for particular purposes by special committees, e.g., the General Welfare Committee, or a sub-committee of the same administers the relief of ex-service men, augmented, however, when deciding on scales of relief, by representatives of Ex-Service Mens' Associations. On all committees, in fact, are to be co-opted members, and on occasions representatives of the recipients of relief, acting in the case of General Assistance in an advisory capacity only.

Although the various branches of Welfare are not co-ordinated by Reich Law, room is left for co-ordination by the Lands or local authorities. Prussia, for instance, centres all functions in the Provinces and Town and Country Circles, with the exception of the Labour Exchanges, which have been given a special autonomous organization. Even here the Provinces and Circles participate in the administration. It is, indeed, explicitly stated in the Reich Laws that the previous dispersal of functions between different local authorities and *ad hoc* boards must cease.

Public Assistance and Youth Welfare authorities thus fall into two grades. The work is divided between them according to a specific principle, this being that the higher authorities shall maintain institutions, the lower provide relief and undertake the work of personal investigation. The whole weight of Public Assistance is indeed concentrated in the Town and Country Circles, except in so far as functions are delegated by the latter to the smaller Communes. The most usual form of delegation is for the Communes to act as investigators on behalf of the Circles, it not having been thought necessary to create special boards for this purpose outside the general framework of local government. The system is abandoned in the case of Welfare Upbringing. Here the Provinces are responsible not only for the maintenance of institutions but for the whole expenses of relief. The disadvantages attendant on the dispersal of functions are here well exemplified, since it sometimes happens that the District Assistance Associations apply for the introduction of Welfare Upbringing when this is not strictly necessary, in order to avoid the costs of maintenance. In this way minors are brought into the institutions

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who instead of being reformed are corrupted by the company in which they find themselves.

No such clear organization exists in the case of Public Health. This has been brought into line with the other branches of Welfare to a certain extent by the provisions of the Youth Welfare Law and the Ordinance concerning the Duties of Public Assistance. These provisions refer, however, to medical matters and do not reduce the profusion of "Social Hygiene" and authorities.

Youth Welfare, the Labour Exchanges, and the relief of disabled ex-service men are organized on a federal basis, the Land Associations being empowered to draw up common regulations for their districts. General Assistance is not federally organized and the Land Assistance Associations can make no regulations binding upon the District Associations. They have merely the power to initiate discussions with a view to common agreement. General Assistance is indeed considered more of a local self-government function than the first group of services. In all cases legal provision is made for an adjustment between the financially weak and strong District Associations through the medium of the Land (Provincial) Associations.

The German Union of Towns directs a number of criticisms against the Welfare system, the gist of them being that it has been made a national one. Many of the criticisms indeed seem animated by a spirit of resistance to all central control, no matter of what kind. The regulations concerning the composition of committees are denounced as burdensome and superfluous. Local authorities have always co-opted representatives of Voluntary Welfare Associations to serve on their committees, and have consulted the recipients of relief. Why therefore make Reich regulations? If, however, this always has occurred there would appear to be little harm done if a regulation to that effect is included in the Reich Law. The Reich holds the principle to be of fundamental importance and has every right to enforce it nationally. The actual regulation of numbers on the committees is indeed an undue curtailment of local freedom and could better be left to local discretion. The criticisms of the financial position are justified. That with increasing financial stringency the local authorities have had continuously increasing burdens thrust upon them has already been shown.

Internal criticism has not been lacking. The Inter-Communal Committee for Public Health, meeting in Berlin in December, 1930, made the following recommendations. All Public Health functions, including those of Public Assistance, Hospitals and Medical Services, and those services hitherto carried out by the police, shall be co-ordinated. As a necessary condition they must be undertaken by one and the same authority. In other words, Public Health must be

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assimilated to the other Welfare services and the present dispersal of functions ended. Further, local committees should be formed for the purpose of Inter-Communal co-operation. It is not proposed that all services should be carried out from the same Centres but that they should be under the control of a single department. The abolition of specialized staff in the "outer" service would not necessarily be advisable.

The recent Emergency Programme of the Städtetag contains detailed proposals for economies in the Welfare services. Higher Assistance shall be abolished and greater use made of the work test in the granting of relief. Sliding scales for Economic Assistance shall be introduced and more stringent conditions prevail for the repayment of relief, these to be formulated by Reich decree. Subsidiary allowances on uninsurance benefit shall be discontinued, likewise special gifts such as Christmas allowances. The responsibility on the part of relatives for the maintenance of necessitous persons shall be extended so as to include definitely children and possibly relations by marriage. Institutional care of all kinds shall be reduced, the duration of hospital treatment shortened. Wherever possible work shall be handed over to the Voluntary Welfare Associations, between whom and the local authorities and other public bodies providing similar services (e.g., social insurance authorities) committees for co-operation shall be formed. "Productive Relief" shall no longer be undertaken, while expenditure on "Social Hygiene" services must be cut down to a minimum.

These proposals, of very unequal value, are still under discussion by the Government of the Reich and the local authorities, and it is impossible to make any prediction as to their realization. They are accompanied by the now familiar demand for a radical reform in the system of unemployment relief. The Welfare services account for more than one-third of the onerous expenditure of the local authorities. Since it is now legally impossible for local taxation to be increased by any substantial amount, whether or no this were advisable, the growth of expenditure on Welfare entails the automatic stifling of other services. In the Town Circles as against 1929 estimated total expenditure for the current year had risen to 107.2 per cent., but excluding "Economic Assistance" it had fallen to 91.2 per cent. Expenditure on economic assistance on the other hand had risen to 182.3 per cent., and under its weight the well-worn fabric of German local government is in danger of collapse.

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LOCAL LEGISLATION, 1931

ONE of the features of the past Session was that it followed on a review by a Select Committee of the procedure on private Bills and was the first Session in which the alterations in procedure adopted on the recommendation of that Committee came into force.

There had been previous inquiries into the machinery for dealing with private Bills, the latest being in 1902. The present inquiry was the outcome of a resolution passed in the House of Commons in November, 1929. This asked for an inquiry "into the desirability of so amending the Standing Orders relating to Private Business as to facilitate and shorten the proceedings on legislation promoted by local authorities and to lessen the heavy costs now incurred."

The debate on the resolution showed considerable dissatisfaction with the heavy costs, and some members blamed the barristers and expert witnesses and some suggested that the local authorities' officials were competent to do the work, or more of it, themselves. But it was conclusively pointed out that these sources of expenditure were not the creation of the Standing Orders; and in drawing the terms of reference to the Select Committee the mention of the Standing Orders was omitted and the Committee directed merely to consider what alterations were desirable in the practice and procedure of the House with a view to facilitating proceedings on Private Bills and lessening the expense.

The Committee suggested a new time-table for the initial stages of private Bills, the object of which was to make more use of the early part of the Session and avoid congestion of business in the later months. They were not in favour of pushing forward the Committee stage because, as they pointed out, any attempt to hurry a Bill into Committee without allowing adequate time for negotiations would not save money but the reverse. They made useful proposals for altering the rules with regard to notices and certain other recommendations which would go to reduce expense. They did not make any drastic recommendations with regard to the major causes of expense; but these, as was pointed out in the debate which preceded the appointment of the Committee, are largely within the discretion of the persons promoting or opposing the Bills. It is,

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however, very desirable, especially in days of economy, that the general level of costs should be reduced, and that promoters and opponents should bend their minds to reducing their own costs. No one who looks with a fresh eye at some of the bills of costs which are incurred will be ready to admit that the scale of expenditure shown in them is inevitable. There is one possible source of economy which might have been worth investigating, viz., the use of written statements in reducing the volume of matter to be brought orally before the Parliamentary Committee. There are difficulties in this, and a system of pleadings can, as is well known, be over-elaborated, but something of the kind should be possible.

One recommendation of the Select Committee which has been adopted was that the Local Legislation Committee should be abolished. This was a committee for dealing with Bills of local authorities proposing powers of local government and police in advance of those contained in the general law, the object being to secure uniformity and continuity in the treatment of such Bills. The Select Committee, while appreciating the valuable work done by the Local Legislation Committee under a succession of able chairmen, felt that the cause of expedition and economy would be best served by discontinuing the appointment of this special Committee, and thought that it was possible to secure the needful continuity of policy otherwise. In the past Session the local authorities' Bills were included in two or three groups, with special reference to the personnel of the Committee, or were taken by the Unopposed Committee.

Passing to the Bills themselves—

The most important of the Bills which came before Private Bill Committees in the Session of 1931 was the London Passenger Transport Bill, but this is in a class apart, being a Government measure. The reason why it fell under Private Bill procedure was that it affected private rights. In everything except procedure it is not an example of Private Bill legislation.

Perhaps the most contentious Bill of the year was the Humber Bridge Bill. It occupied a Committee of the House of Commons for 32 days and a further contest was to be anticipated in the House of Lords. The further consideration of the Bill has, however, now been postponed.

The Bill that caused most general interest was probably the Surrey County Council Bill. Its main object was to preserve the amenities of the County in face of the rapid and uncontrolled development that was taking place, and to ensure as far as possible that development should take place on orderly and systematic lines.

The powers sought were wide and diverse, and included the regulation of camping grounds and movable dwellings, measures for the prevention of ribbon development, and the extension of the

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planning powers of the Local Authorities in Surrey so as to cover developed land and also land which is neither in course of development nor likely to be used for building purposes.

Another Bill presenting novel features was the Lindsey County Council (Sandhills) Bill, which was designed to secure control of a stretch of some 25 miles of sandhills running along the Lincolnshire Coast. These sandhills have been open to the public, but in recent years, with the growth of the motoring habit, there has been a tendency for the land to be enclosed and for bungalows and other buildings to be erected on the sandhills. The position is complicated by uncertainty as to the ownership of the land.

The Bill proposed to deal with the situation by enabling the County Council either to acquire the sandhills or to control their use without the necessity for purchase. Measures of an entirely novel character were proposed for dealing with the situation arising out of the uncertainty of ownership, including a special definition of owner and wide power to the County Council to determine titles.

The Bill was passed with some amendments by a Committee of the House of Commons but has not yet been before a Committee of the House of Lords.

The Romford Urban District Council Bill contained a new and important modification of the law relating to the incidence of the cost of sewers.

Under the existing law a Local Authority, while it is their duty to cause to be laid such sewers as may be necessary in order to drain their district, can recover from the frontagers the cost of the sewers only when they are laid in a private street.

The clauses in the Romford Bill allowed the Local Authority to recover the cost of a sewer laid in a highway repairable by the inhabitants at large, where the construction of the sewer increased the value of the adjoining premises. They also provided that when a sewer had been constructed by the Local Authority under ordinary land, and that land subsequently came to form part of a street, there should be a similar power of recovery from frontagers. Provision was made for appeals on the lines of the Private Street Works Act.

The origin of the clauses was the fact that a wide arterial road had been constructed through the district by the Ministry of Transport in agreement with the County Council. It had been made as a through communication and not with reference to the needs of the district, but it had the effect of rendering ripe for immediate building development a large area of land at no cost to the owners of that land.

Amendments were made allowing as grounds of appeal, in addition to those specified in the Private Street Works Act, objec-

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tions that the sewer did not increase the value of the adjoining premises or that the charge was excessive having regard to any benefit likely to be derived. A further amendment was made that no expenses apportioned against agricultural land should be recoverable until the land ceased to be agricultural.

With these amendments the clauses were allowed.

E. H. R.

RECENT LEGAL DECISIONS AFFECTING PUBLIC ADMINISTRATION

By F. A. ENEVER, M.A., LL.D.

SYNOPSIS:

Recovery of Road Charges; Noxious Factory Fumes; Dangerous Structures; Road-making Contracts.

1. Recovery of Road Charges.

THE decision of the Divisional Court in *Payne v. Cardiff Rural District Council* (172 *Law Times* 9; 95 *Justice of the Peace* 425) is one of considerable importance to local authorities in connection with their right to sell premises to recover the cost of street works carried out under the powers conferred by the Private Street Works Act, 1892.

Section 13 of that Act gives a charge to the like effect and extent as under Section 257 of the Public Health Act, 1875, for the amount due for private street works, and makes the mortgage provisions of the Conveyancing Act, 1881, apply to charges under the Act. These provisions of the Conveyancing Act, 1881, are now contained in Section 101 of the Law of Property Act, 1925, which provides that: "A mortgagee, when the mortgage is made by deed, shall by virtue of this Act have the following powers, to the like extent as if they had been in terms conferred by the mortgage deed, but not further, namely, (i) a power, when the mortgage money has become due, to sell . . ."

The exercise of that power of sale is regulated by Section 103 of the Act, which provides for notice requiring payment to be served on the mortgagor and default in payment of the mortgage money or of part thereof for three months thereafter as a preliminary to the exercise of the power of sale. No notice is required, however, if interest is more than two months in arrear.

The question which arose in the present case was whether those provisions operate when the mortgage money is payable by instalments, only some of which have accrued due.

The facts of the case were that in 1926 street works were carried out by the council under the Private Street Works Act, 1892, and in

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1927 a final apportionment of the cost of the works was made under which the plaintiff's share was £48 2s. 6d., payable by seven yearly instalments. In May, 1930, a demand was made on the plaintiff for three instalments then due, with interest, plus the costs of an abortive objection which the plaintiff took before the justices. The costs were paid but not the instalments and interest, which in September, 1930, the council took proceedings to recover under Section 14 of the Private Street Works Act, 1892. The justices made an order for payment thereof, £29 6s. 5d., and costs, by £3 a month, the whole to become due in the case of default being made. The plaintiff defaulted and a distress warrant was issued, which was returned marked "no effects."

In December, 1930, the council gave notice of their intention to sell the plaintiff's premises, but offered to withdraw it on payment of the amount then due, namely, £40 2s. 11d. Thereupon the plaintiff tendered £29 6s. 5d., the amount of the justices' order for the three instalments and interest, but not the charges incurred in connection with the proposed sale. The plaintiff then began proceedings in the county court for an injunction to restrain the council from offering the plaintiff's premises for sale. The county court judge made an order accordingly and dismissed the council's counterclaim asking for a declaration that they were entitled to sell the premises.

The council appealed, and the Master of the Rolls (Lord Hanworth) in giving the judgment of the court allowing the appeal, after referring to the argument that, having regard to Section 101 of the Law of Property Act, 1925, a mortgagee had no power of sale in respect of part only of a mortgage debt that was due, stated that he found it impossible to attribute to the words in Section 101, quoted above, a negation of the power to sell when the whole mortgage money was not due. His Lordship added that it would be unfortunate if it were so, because the result would be to deprive a mortgagee of any remedy when instalments of the mortgage alone were due. When, as here, there was a provision for payment by instalments of the mortgage money, it became due at the dates fixed by the mortgage deed and the right to enforce payment arose as it became due. The right, therefore, of the council to proceed to a sale seemed to be established. There was nothing in Section 103 (i) of the Law of Property Act, 1925, to show that the power of sale was not to become exercisable until the whole of the mortgage debt became due. Indeed, the inference was rather in the opposite direction, as Section 103 (i) referred to the need for notice when default had been made "in payment of the mortgage money, or of part thereof."

His Lordship treated as *obiter dicta* the statement in the judg-

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ment in *Tottenham Local Board v. Rowell*, to a particular audit 394, that "if the sum had been made payable of the head of the fifteen years, and the payments were in arrears for in the course of if the charge were attempted to be put into force it a certain line of end of those seven years be put into force for the several should be pro- audit. or audit.

Judgment was given for the council, with costs. which may

It may be of interest to observe that by Section 15 of towards Charges Act, 1925, all local land charges now require registration of either the local Land Charges Register, and by Section 11, when registered. who they take effect as if created by deed of charge by way of and mortgage.

2. Noxious Factory Fumes.

The case of *Attorney General v. Rayon Manufacturing Company* (1927), Ltd. (*Times*, 30th July, 1931) is of interest as regards the powers of a local authority in dealing with public nuisances.

The Epsom Rural District Council, as the sanitary authority for the district, were the relators in the action, claiming an injunction to restrain the defendants, the owners and occupiers of an artificial silk factory at Ashted, their agents and workmen from discharging from the factory fumes, smoke, or smells, so as to cause a nuisance to the public.

In July, 1928, an order was made in the action whereby the injunction sought for was obtained. The order was suspended from time to time till the end of 1928 on the defendants giving certain undertakings to instal plant to abate the nuisance.

It was now alleged that the nuisance still existed, despite large sums having been expended by the defendants in attempting to abate it. The relators stated that from time to time they were receiving complaints that the nuisance was not abated, and in June, 1931, they gave notice of motion to enforce by sequestration the order made in July, 1928.

Mr. Justice Clauson stated that the court had the right to enforce the order, but the effect of the sequestration would be to hold up the whole of the property of the company and make it impotent to carry on business. The evidence of the plaintiff's witnesses forced His Lordship to the conclusion that they suffered grievous inconvenience which amounted to a public nuisance. Evidence was given for the defendant company by persons also living in the district who said they had not noticed the fumes, but negative evidence of that kind was of little weight against the positive evidence given by the plaintiff of the fumes. It was clear, His Lordship added, that the defendant company had not succeeded in altering the conditions which

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1927 a final apportionment which the plaintiff's as not to cause a nuisance. The Attorney instalments. In May the public, was entitled to insist on the order three instalments directed the issue of a writ of sequestration, and five objection were paid but the costs awarded to the plaintiff within ten days were paid but the costs awarded to the plaintiff within ten days 1930, the writ lie in the office until the 31st October. There was the Private prevent the defendant company coming to the court and payment they had purged their contempt. sequestration order is a somewhat unusual procedure it may to be interest to give a few words of explanation. A writ of seques- ma is available against a person who is in contempt for dis- obedience to an order of the court. The leave of the court must be obtained before such a writ can be issued against a corporation (Rules of Supreme Court, Order 42, Rule 31). The writ is addressed to not less than four commissioners, called sequestrators, who are officers of the court and are nominated by the persons issuing the writ. The sequestrators are directed to sequester, i.e., to appropriate or set apart, the property of the contemnor, i.e., the person in contempt. They are authorised to enter on and receive the rents and profits of the contemnor's lands and to take possession of his personal property until he obeys the order in default of obedience to which the writ of sequestration was granted. The sequestration does not give the person issuing the writ any charge over the property seized, but an order of the court may be made in a proper case creating such a charge. The sequestration affects the whole of the contemnor's property of every description, including land, chattels, money, and stocks, but not property of which the contemnor is merely a trustee. The sequestration will be ordered to be discharged when the contemnor has cleared his contempt.

3. Dangerous Structures.

A point of some local government interest, but limited in its scope to the jurisdiction of the London County Council, was decided in May last in the case of London County Council v. Stilgoe and Another (47 *Times Law Reports* 435; 95 *Justice of the Peace* 149). The case turned on the construction of Section 173 of the London Building Act, 1894, which provides:—

"Where it is by any provision of this Act declared that expenses are to be borne by or may be recovered from the owners of any premises (including under the term 'owner' the adjoining and building owners respectively) the following rules shall be observed with respect to the payment of those expenses:—

"(1) The owner immediately entitled in possession to the premises or the occupier thereof shall in the first instance pay the

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expenses, with this limitation that an occupier shall be liable to carry out an audit to pay any sum exceeding in amount the sum of the head of the thereafter accrue due from him in respect of the head of the the period of his occupancy

The question raised was whether the London certain line of were entitled to proceed against the owners in the case of a dangerous structure to recover expenses incurred by an audit. the demolition of that structure without first attempting which may those expenses from the occupier or the owner immediately towards of either in possession.

The occupiers in the present case were the Metropolitan who Electrical Company, Limited, the holders of a 21 years' lease and out of a term of 99 years granted by the fee simple owners to certain other persons. All three parties were "owners" within the definition contained in Section 5 of the London Building Act, 1894.

The council had made a complaint to a metropolitan magistrate under the Act of 1894 and the London Building Act, 1894, Amendment Act, 1898, that the owner and occupier of a bridge over Sutton Street, a public highway, which bridge had been duly certified as a dangerous structure, had failed to comply with a notice requiring them forthwith to take down or otherwise secure the bridge. The bridge in question connected the Astoria Theatre with Metro House. The magistrate adjudged the complaint true and ordered that the owner of the bridge should be required to take down, repair, or otherwise secure it to the satisfaction of the district surveyor.

The order was not obeyed, so the council, in pursuance of the powers conferred by the Act of 1894, themselves demolished the bridge and claimed the expenses incurred in so doing equally from Messrs. Stilgoe and Funnell and Messrs. Rosedale and Rosedale, the respective owners in fee simple of Metro House and the Astoria Theatre. No proceedings were taken for recovery of the expenses from the occupiers of Metro House and the Astoria Theatre, namely, Metropolitan Vickers Electrical Company, Limited, and the Berkeley Syndicate, Limited, respectively.

On a further complaint being made to the magistrate that the owners of the structure had, on demand, neglected to pay the expenses, the magistrate held that by Section 173 (1) of the Act of 1894 the owner immediately entitled in possession to the premises or the occupier thereof ought in the first instance to have been summoned. He accordingly dismissed the complaint.

The council appealed. Lord Hewart, C.J., in giving judgment on behalf of himself and Humphreys, J., dismissing the appeal, after referring to the contention which found favour with the magis-

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1927 a final apportionment of the Act of 1894 operated to postpone the which the plaintiff's against the freeholder until proceedings had instalments. In *M. the Metropolitan Vickers Electrical Company*, three instalments, the holders of the original 99 years' lease, stated five objection of Section 173 (1) in this case were that contended were paid but to follow that in every case where the occupier of a 1930, the structure was, as might often happen, a weekly tenant, the Private must in the first instance be taken against that person to payment of the whole amount of the expenses, although the council might to be that he was without means, and in any event his liability was defered to the amount of rent due. It seemed reasonably clear that the scheme of Part IX of the Act, which comprised sections 102-117, and formed a code of procedure with regard to dangerous and neglected structures, pointed to an owner as distinct from an occupier as the person who should pay the expenses.

Their Lordships held, however, that the case of *Mourilyan v. Labalmondière*, 1861, 3 *L.T.* 668; 25 *J.P.* 340, governed the present case. Sections 73 and 3 of the Metropolitan Building Act, 1855, under which that case arose, were substantially in the same terms as Sections 109 and 5 of the London Building Act, 1894. Section 173 of the latter Act replaced Section 97 of the earlier Act. The decision in that case was expressly affirmed in *Hunt v. Harris*, 1865, 34 *L.J. C.P.* 249.

The appeal was accordingly dismissed, and his Lordship indicated that if the council wished to contest the correctness of that decision they must do so elsewhere.

Mr. Justice Avory in a concurring judgment stated that the inconvenience resulting from this decision where the occupiers were weekly tenants was so obvious that he was at first inclined to the view that Section 173 of the 1894 Act was intended only to regulate the obligations *inter se* of the various owners, defined in Section 5, and the occupiers, but as Section 97 of the 1855 Act, corresponding with Section 173 of the Act of 1894, was referred to in *Mourilyan v. Labalmondière* (*supra*), the decision in which case was approved in *Hunt v. Harris* (*supra*), he did not think it possible to say that it was not binding in the present case.

4. Road-making Contracts.

Having regard to the large amount of road construction work with which local authorities now have to deal, the decision in the case of *Marsden Urban District Council v. Sharp and Another* (47 *Times Law Reports* 549) is worthy of particular attention. The question which arose in the case was as to the amount of damages payable under a road-making contract.

Contractors had been engaged by the council to make Standedge Moor. The contract contained an arbitration clause, also a clause, material to the question raised, in terms:—

" 35. Should it at any time subsequent to the completion of the period of maintenance up to, but not exceeding, a period of five years from the date of the completion of the work, be discovered that the terms of this specification have been violated by the execution of bad, insufficient, or inaccurate work, the council shall be at liberty to make good such work and to recover the cost thereof from the contractor"

The work was completed on the 15th January, 1925, and on the 15th December, 1929, the council discovered that certain portions of the road had become defective, owing, it was alleged, to the use of bad concrete, by reason of which the road was, within the period of five years, falling into disrepair. The council discovered further damage after the five-year period and claimed damages in respect of defects discovered both before and after the end of the period. The matter was referred to arbitration, and on the 14th January, 1930, *i.e.*, just before the end of the five-year period, the council delivered points of claim in the arbitration, alleging a violation of the specification by the use of concrete not in accordance with its terms. The arbitrator named two alternative sums as damages and, under Section 7 of the Arbitration Act, 1889, stated a case for the opinion of the court.

The council, having abandoned the contention at first put forward that no claim could be made until they had remedied the defects, the sole question for decision was whether they could claim for defects discovered after the five-year period. On this point it was contended on behalf of the council that, having discovered within the period that defective concrete had been used, this was a violation of the specification which gave rise to a right to all damages naturally resulting therefrom. Trial borings established that the concrete used was bad, and the council could not stop the traffic and take up the whole road to see, inch by inch, how much of it was defective. Discovery of the use of bad concrete, the council alleged, covered all the work under the contract.

Mr. Justice Rowlatt, in giving judgment, stated that he did not think the points of claim in the arbitration could extend the discovery on which the council's rights depended, and the question was what must be regarded, so to speak, as the unit of discovery. His Lordship held that on the construction of the clause the work which was to be made good was that the ill-execution of which constituted the violation discovered or, in other words, that the substance of the discovery was the particular bad work. He did not consider that it

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1927 a final apportionment and businesslike effect to the clause to say which the plaintiff's some bad patch opened up the question of all instalments. In May in places remote and detached from the original three instalments. He accordingly gave judgment for that figure tive objection which was based on the damages in respect of defects were paid but in the five years. 1930, the Privy Council.

THE FUNCTION OF INTERNAL AUDIT IN A GOVERNMENT FINANCE DEPARTMENT

By THOMAS E. NAUGHTEN, A.S.A.A.

the value of internal audit as a factor in efficient financial control has long been recognized by such institutions as banks, insurance companies, and municipal finance departments. Innate conservatism has tended to prevent its adoption on any considerable scale by Government finance departments. Even where an internal audit section has been brought into existence, its utility has sometimes been gravely impaired by a half-hearted support. It is the purpose of this article to assert that an internal audit section in a Government finance department, if properly organized and functioning with freedom, should be regarded not as the Cinderella of the sections but as the most important of them all.

It is not contended that every Government finance department should necessarily include an internal audit section. There are possibly some finance departments whose scope is so limited as to preclude the economical employment of such machinery. But, on the other hand, there are departments to-day whose financial operations cover such an extensive field as to warrant and, indeed, demand the maintenance of that aid to effective control which internal audit can supply.

Before discussing problems of organization it will be well to dispose at once of the objection to the system most likely to be advanced by the disciples of the policy of inertia. That objection, almost needless to say, will be made on the ground of economy. Now, under Section 1 (2) of the Exchequer and Audit Department Act, 1921, "the Comptroller and Auditor-General, after satisfying himself that the vouchers have been examined and certified as correct by the accounting department, may, in his discretion, and having regard to the character of the departmental examination, in any particular case admit the sums so certified without further evidence of payment in support of the charges to which they relate." In exercising this discretion the Comptroller and Auditor-General would, no doubt, be influenced by the standard of efficiency in the particular accounting department. He might also be expected to recognize that there can

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be no better guarantee for the maintenance of a particular audit well-organized and capably-staffed internal audit to the head of the indeed, reason to believe that in finance department in the course of internal audit sections the Comptroller and Auditor-General should be provided only a modified check on the part of his officers. A certain line of be assumed that the cost of internal audit would be less than that of other audit. extent by the consequent less rigorous attention to detail. Even if it cost 3 which may of Exchequer and Audit Department. It will be within 10s towards balance it would still be worth having. It will be within 10s towards tion of everybody that economy, like other good things in of either be purchased at the sacrifice of things which are more important things.

Since this article does not set out to deal with the subject who internal audit as such, but rather to provoke thought and, perhaps, discussion as to its merits in the special circumstances of Government finance departments, it is not proposed to enlarge on the advantages of internal audit in any general way, or, much less, to outline audit programmes. It will be enough to say that an internal audit section should act as "the eyes and ears" of the Accountant-General of the finance department to which it belongs. Apart from producing the moral effect which is a valuable characteristic of all audits, it should definitely serve as a specialized instrument of co-ordination. Familiar with the activities of every branch of the Department, it should act as a clearing-house of ideas. The method or safeguard which it finds adopted with advantage in one section, it will suggest in its report as worthy of adoption in another section working under similar conditions. Where overlapping occurs—as it almost inevitably occurs in any large and complicated Department—its existence is by nobody more likely to be noticed than by the officer of internal audit. In this way alone—apart from the minimising of the work of Exchequer and Audit Department—the cost of internal audit is likely to be exceeded by the resultant gain.

Independence is a factor which is vital to the successful functioning of any audit, and it is, therefore, important that the officers of Internal Audit should have the largest measure of independence secured to them that the circumstances of the case will permit. The principle of independent audit is recognised by the State in the fact that the Comptroller and Auditor-General is responsible only to Parliament, and can only be removed from office by a vote of both Houses. In the nature of things it is impossible, and indeed undesirable, to grant such an independent status to an internal audit section. But it is possible, and eminently desirable, to make the internal audit section directly responsible to the Accountant-General of the Department. Its reports should be made to the Accountant-General, or to his Deputy, or, alternatively, to some high officer of the Department who

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1927 a final apportionment concerned with the internal administration of which the plaintiff's. Obviously a conflict of loyalties might arise instalments. In the head of an accounting branch was also the three instalments. Internal Audit.

One important factor in fostering the spirit of independence were paid but the officers of Internal Audit would be the provision of 1930, the of tenure. To an officer confronted with the duty of the Private, conversely the accounts of another officer whose position in payment is, perhaps, much higher than that of the auditor, it is no to be a reflection that in a week's or a month's time he may be defeated subordinate to the officer whose accounts have been so managed. Even the Civil Service is not so civil as to render quite possible the chance of the higher officer "getting his own back." anyhow, the fear would, no doubt, be present in the mind of the Internal Auditor, and, unless possessed of exceptional moral courage, he might be influenced by it. To prevent this possibility, it is suggested that, subject to a satisfactory probation and continued efficiency, no officer should be transferred from Internal Audit except on promotion, or at his own request. Apart from the factor of independence, this would have the advantage of allowing the individual officer sufficient time to gain an expert knowledge of the whole of the work of the Department. It is admitted that there is a good deal to be said for the infusion of "new blood" on occasion, but it is thought that promotions involving removal from the section and voluntary transfers, would afford a sufficient inlet.

The officers of an internal audit section should be specially selected for the possession of the necessary qualities of accounting knowledge, broad outlook, tenacity of purpose, tact, and common sense. While the point is not insisted on, and is put forward with all deference to the susceptibilities of those who differ, it is suggested that in Finance Departments which embrace activities of a commercial or quasi-commercial character, special consideration should be given to officers who hold the qualifications of the recognised professional accountancy bodies, and particularly to those who have had extensive auditing experience. Whoever is selected should, quite definitely, have a flair for auditing. For that reason, amongst others, no officer should be appointed to an internal audit section against his will or inclination. Leading a horse to the water without making him drink can be paralleled by leading an executive officer to the internal audit section without making him think.

The status of the rank and file of an internal audit section should be such as to relieve the individual officer from the development of "inferiority complex" under that head. The numbers of the staff should, of course, be regulated by the area of the field of work. The

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essential thing is that the staff should be adequate to carry out an effective test audit. The period to be devoted to a particular audit should be left, within limits, to the discretion of the head of the audit section. An officer may come across something in the course of his audit which may point to the need for pursuing a certain line of investigation. In that case, the period of the audit should be prolonged, even at the cost of curtailing the period of another audit.

It should be emphasised that any feeling of antagonism which may be found on the part of accounting sections or branches towards Internal Audit should be regarded as a measure of the failure of either or both to appreciate their relative positions in the scheme of things. The Internal Auditor should be regarded as a friendly fellow who comes to a section, not as a captious critic, but as a sympathetic and helpful colleague. It is obviously better to have shortcomings, if any there be, discussed in the domestic atmosphere of the Department than in the fierce light which beats upon the Public Accounts Committee. It should be well understood by all parties that the business of the Internal Auditor is, not to make mountains out of mole-hills, but rather to prevent mole-hills from becoming mountains.

For the rest, it remains only to say that an internal audit section organized and staffed on these or some similar lines should be found to make a return, over and above its expenditure, of a cumulative dividend in efficiency and true economy.

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Criticism and other Addresses

By Sir JOSIAH STAMP, G.B.E. (Ernest Benn Limited.) 15s. net.

THIS is a book with qualities of thought and personality which would give it interest and value to any of our readers; but it does not lend itself very readily to review in this journal because it does not deal directly with any of the subjects with which the Institute of Public Administration is concerned. Perhaps it comes nearest to doing so where the author, in asking for the application of critical habits of mind to the practical affairs of business life, remarks (page 25) that "the choice between centralization and decentralization; between division of tasks by function and by locality; . . . between cultivating freedom and initiative in subordinates and the safety and public expectation of uniformities; . . . between diffusion and concentration—these are all nice discriminations in which something is always given up for something that is gained."

These words, whether by intention or not, contain a summary of many of the chief problems of public administration. They also strike a note which recurs several times in the book, namely, that few things are either black or white, and that the practical problems are apt to involve a choice of benefits and a choice of disadvantages. The practical problems in point of fact (one might reply) involve more often an adjustment between the opposing principles than a choice between them; but although this does not appear to be anywhere expressly stated in this book, it must not be assumed that Sir Josiah Stamp is not aware of it. He is, however, a somewhat austere thinker, and the message which he is particularly anxious to deliver is that there is constantly a choice to be made, and that it is the business of men first to recognize that this is so, and secondly to recognize that when they make their choice they must expect the consequences that follow from it. They cannot have it both ways.

This characteristic way of looking at things—the balancing of the *pros* and the *cons*—appears even in Sir Josiah Stamp's attitude to institutes similar to our own. He is a good friend to such bodies.

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The present book includes addresses to the Institute of Transport and the Institute of Arbitrators and a contribution to the *Incorporated Accountants' Journal*. In addressing one of these institutes he clears his mind with regard to bodies which mark off a special sphere of interest and pursuit. He begins with some misgivings and he observes that there is something in each of us which is inclined to rebel against the continual subdivision of modern life and science. But he goes on to point out the justification of such bodies and the ways in which they make for advancement. These are twofold. They spread the knowledge of the best practice; and they abstract from the best practice the underlying principles and make them available for further concrete manifestations.

We have referred to these remarks because they may have some special interest to our readers; but lest it be thought that this rather high and attenuated atmosphere of abstraction pervades the whole book we hasten to add that there is plenty in it on live questions of life, religion, and economics which will command the reader's interest and his respect.

E. H. R.

Budget Control

An Introduction to the Financial System of New South Wales. By F. A. BLAND. (Angus L. Robertson Ltd., Sydney; and Australian Book Co., Farrington Avenue, E.C.4.) 3s. 6d.

THIS book, written for the intelligent public rather than for those engaged in public administration or making a study of it, gives an excellent description in popular language of the "budget system" of the State of New South Wales, defined as "embracing all the operations comprised in preparing the Government's plans for raising and spending money, in presenting them to Parliament, and securing its authorization in the form of Supply, Appropriation or Loan Acts, and in collecting, spending, and accounting for the moneys raised and spent." If here and there, as in the last chapter (Borrowing and Debt Management), with its full account of the various forms of security the State has issued at different times, there is rather more technical detail than the general plan of the book might seem to require, that may well be accounted for by the painful interest that State borrowing has lately had for all Australians. There are not lacking shrewd and outspoken comments on the effects of political atmosphere upon the action of financial and constitutional machinery. Some of these, such as "The influence of party politics both in the competition for the honour of providing so-called benefits to voters, and in the stifling of effective discussion in Parliament upon financial and other projects," and "When power is won so frequently as it is by promises

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to spend, policies of retrenchment are not likely to be favoured," will evoke a ready response here; while others, such as "Until we cease paying political debts with administrative appointments we shall continue to be overburdened with unnecessary agencies and superfluous officials," and "As long as the filling of offices remains the sport of party politics and the rates of pay of public servants a means of buying votes, there can be no proper demarcation between politics and administration" would perhaps carry stronger appeal across the Atlantic.

The respects in which the New South Wales system differs materially from its British model, and the different meanings in the two systems of certain technical terms, such as "Supply" and "Accounting Officer," are made clear; and perhaps the most interesting question the book will raise in the minds of British readers is how far these material differences account for the leading position lately held by New South Wales in the march towards insolvency. The Sydney machine is naturally less elaborate than the London; and the Treasury, while it does work here relegated to the Paymaster-General, is stated to be "very poorly equipped" for critical control of departmental estimates and expenditure, and for handling questions of organization and staffing. In the former sphere the author looks enviously at the Washington "Bureau of the Budget," with its large expert staff under a Director who is the personal assistant of the President. In the latter sphere the Public Service Board (whose functions are divided here between the Civil Service Commission and the Treasury) lacks real power and has been largely side-stepped by the creation of new Boards and Commissions with their staffs and offices outside its purview. The Arbitration Court is also felt as a very disturbing influence in pay questions. The author would extend the functions of the Board to all departments without exception, and give it quasi-judicial status. "We must relinquish the fiction that a Minister becomes an administrator by the mere process of election. . . . If any controlling agency is to be successful its decisions on organization and staffing must be accepted just as are those of the judiciary in matters of law." He would also have the Treasury make use, in reviewing Estimates, of the knowledge of departmental business acquired by the inspectors of the Public Service Board, as well as by the Auditor-General and his officers located in the departments. This last suggestion might seem to the Comptroller and Auditor-General here to endanger his complete independence.

The Treasurer's "Advance Account," intended for meeting emergency expenditure on the lines of our Civil Contingencies Fund, has been used by successive Ministers to supersede Supplementary Estimates, the limit (£150,000) of the account and the emergency

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character of the expenditure properly chargeable to it being both disregarded in practice. A second method of avoiding supplementaries has also been extensively adopted, payments outside the Estimates being made without any Parliamentary authorization and charged as "Payments unauthorized, in suspense." In the following year they are included in Estimates as "paid in anticipation of the sanction of Parliament." The Auditor-General has in vain protested that these proceedings are unconstitutional and illegal.

Instead of being obliged to obtain Votes and Ways and Means for Defence Services and Civil Services before the opening of a new financial year, the Government has by statute three months during which it may carry on existing services in anticipation of the Appropriation Act for the new year. But it has become usual to defer the Budget to a much later date, getting new taxes voted before the Budget is opened, and carrying on by means of "Supply," which there means monthly votes on account. Similarly, instead of our invariable practice of passing an Appropriation Act before a dissolution, the life (three years) of a Parliament may be allowed to expire and a new Parliament assembled without either an Appropriation Act or "Supply" having been obtained. The new Government simply picks up the threads and carries on without reference to constitutional requirements, trusting to get an Act of Indemnity in the fullness of time. These and other laxities, the absence of any adequate criticism of expenditure from the point of view of merit and the scant notice taken of the reports of the Auditor-General and the Public Accounts Committee have, it seems, gone far to destroy even formal control of the Government and its expenditure at the Parliamentary level; while at the departmental level the "Accounting Officers" or (as we should call them) Accountant Officers, are not encouraged to concern themselves with the value received for expenditure contained in their accounts. "Many accounting officers exercise the same prudence in the management and spending of public funds as they do in their private affairs. But these swallows do not make a summer, and there are unnumbered discouragements and temptations which beset the accounting officer who attempts to guide his official life by the principle of economy." The author advocates a system of standing Parliamentary Committees for each major activity of Government, to deal with expenditure on municipal lines, the responsible officials attending their meetings.

The single "Consolidated Revenue Fund," into which all revenue was to be paid and from which all expenditure should be drawn, has long ago gone by the board, owing to the creation of numerous semi-independent departments administering "business" activities and possessing "funds" of their own. It is recognized that for such

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activities separate funds may be in the interest of good accountancy and also of good administration (*cf.* our Ordnance Factories Vote) as securing that the conservation of capital values, &c., for business purposes should not be sacrificed to immediate budgetary necessities. But a comprehensive aggregate statement for all departments is wanted, in addition to "annexe" accounts for the several activities. At present it requires a knowledge as "extensive and peculiar" as was Mr. Weller's of London, to enable the citizen to find out how his affairs stand as a whole. The cash accounts of all departments are focussed in the Treasurer's "General Banking Account," covering not only revenue and expenditure but such balances as those of the State Savings Bank, the Public Trustee, Supreme Court Accounts, State Railways, and Loan Funds. This has the advantage of enabling the Treasurer to avoid borrowing in the market by using funds in his own hands; but, taken in conjunction with certain points in Loan finance referred to below, it has led to serious evils. Instead of regulating the drafts on this General Account by something analogous to sound banking practice, it has been totally exhausted and even overdrawn by some millions, regardless of liabilities to Savings Bank depositors and others of whose funds the Treasurer was in fact trustee. That under these conditions, at a time when the Government's credit was too low to float a loan, there should have been a crisis in the affairs of the Savings Bank is not surprising.

As already indicated, a very full account is given of the State's methods of borrowing for more than half a century, and of the restraints at last imposed by the financial agreement of 1927 between the Commonwealth and its constituent States. Two points call for notice. It was the practice to take power in a Loan Act to borrow the whole sum authorized in the form of bills (up to five years) secured on the revenue, in anticipation of a loan, if the market conditions should be unfavourable when the Act had been passed; and expenditure could thus proceed at once. This was reasonable enough under certain conditions, but out of it was developed a systematic policy of beginning large works without any exploration of the terms on which a loan could be floated, trusting to the availability of funds on the General Banking Account, and in June, 1930, no less than thirteen and a half millions—described as "arrears of borrowing"—had been so overspent in anticipation of loans, which it was then impossible to float, in order to re-create in fact the Trust Fund and other balances existing on paper in the Treasurer's General Account.

The second point relates to Sinking Funds, which had been provided for on paper since 1889, and in 1905 were reconstituted in the form of a "General Sinking Fund," financed by annual contributions from revenue. The sums available in this fund were, however, made

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applicable to paying off Treasury bills as well as Loan stock, so that the so-called sinking fund might be called upon to defray the Budget deficiencies of previous years. In fact, during the twenty-four years of the fund's existence, while debt rose from 82 to 267 millions, the Commissioners were able to redeem only two and a half millions of stock. Under the 1927 agreement the Commonwealth has taken over State debts, the states indemnifying it against loss, and a National Debt Sinking Fund has been set up, financed by contributions from both Commonwealth and State revenues, calculated to extinguish existing debts within fifty-eight years.

One custom, unknown here, throws a strong light on the political atmosphere prevailing. "When a change of Ministry takes place, the retiring Treasurer has to safeguard himself against subsequent political charges that the accounts were not in the condition claimed by him when he left office." So he and his successor nominate each a professional accountant to check and certify the state of the accounts, making as part of the process a physical and complete examination of the securities of all kinds held by the Treasury.

When this book was completed, six months ago, it was already beyond dispute that Government finance in Australia required amendment, and the advocates of reform in New South Wales naturally looked up to Great Britain as a model of rectitude and stability in that field. It has now been revealed that even that strong tower was standing on a clay slope; not, indeed, that our forefathers who made London the financial centre of the world had builded badly, but that after all, in London as in Sydney, it is the man behind the gun that matters most. In the words of the May report, "the best-devised machinery of financial control will be of little avail if the will to control be absent."

C. H.

Arbitration Principles and the Industrial Court.

An Analysis of Decisions, 1919-1929. By MARY THERESA RANKIN, M.A., D.Phil. (P. S. King & Son Ltd.) 7s. 6d.
THIS is an interesting little book which should profitably be digested by students of wage theory and wage-fixing machinery. In an introductory chapter Miss Rankin describes the relation between the creation of the Industrial Court and the issue of the Whitley Reports, which also recommended the extension of Trade Boards and the institution of Industrial Councils and Interim Industrial Reconstruction Committees. In her judgment these Reports and the action of the Government on them, and in regard to the Fair Wages Clause,

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laid down some industrial principles for determining wages, and it was the duty of the Court to build up a case law of interpretation of these principles. The principles might be summarised as "Subsistence," the "Fair" Wage, and "what the industry can bear."

The chief awards of the Court from 1919-1929 are then analysed in the light of these principles. Miss Rankin is surprised by the contradictions and inconsistencies revealed by her examination, and is led more than once to rebuke the Court. It is just in this that her method of approach has most value, and she would have been wiser to write her first chapter last. The Industrial Court is part of the industrial structure of the country. While it may have been set up because of the Whitley Reports, it was also the successor to the Committee on Production which settled wages over a large part of industry during the war. The Committee on Production had been a centralised arbitration tribunal instituted because a centralised treatment of wages was imperative in the situation of labour supply and demand produced by the war. The Committee and, at first, the Court, operated at a time of rising prices and rising wages, when some uniformity of treatment was demanded by labour opinion and was practicable owing to the state of the market. But as commercial conditions gradually were restored, economic differences in the prosperity of industries reasserted themselves, and much of the "inconsistency" that Miss Rankin finds in the awards of the Court was due to the necessity for unscrambling the well-battered eggs of the war-time level of wages. The Court was not there to enunciate principles, nor was it the custodian of any doctrines finally revealed to the Government of the day; recourse to it was voluntary, after the industry had tried and failed to agree upon the appropriate wages to be paid, and the Court's chief task was to keep the industry going without a stoppage of work, by fixing wages which would, on the whole, satisfy the employers and the workers. The Court had to consider the claims on their merits, against the background of the general conditions of industry. The experience of compulsory arbitration and the Higgins award in Australia, and of the working of the Lemieux Act in Canada has shown that industrial arbitration relies upon a pragmatic sanction. In their decisions the Industrial Court recognised this; in the exposition of the reasons that induced their decisions they may have been less happy, but it is possible to read too much profundity into these expositions. It is not a bad working rule in arbitration to give your decision but not your reasons.

Miss Rankin concludes her book with the words: "The development of a case law based on economic theories must be a somewhat discontinuous and contradictory process; and all the more so since, as J. S. Mill pointed out, no aspect of economic theory is so open

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to change as that of the distribution of wealth." Here is the greater part of the explanation of the "inconsistencies" in the awards of the Court, and in the light of this sentence the analysis of the awards which the author has made takes on additional significance.

A. A.

Youth and Power

By C. R. FAY. (Longmans, Green & Co.) Pp. 292. 10s. 6d.

THE title of Mr. C. R. Fay's most recent contribution to economic studies gives no direct clue to its subject matter; it may even lead the incautious reader astray. For in these days if you couple "youth" with "power" you will be likely to conjure up a vision of Hitler, surrounded by his youthful legions, or of our own "New Party," battling its way back to an hotel after a stormy meeting. It is true that "power" in the Fascistic interpretation receives due recognition at Mr. Fay's hands. Chapter II contains a not unfriendly appreciation of Mussolini which may be compared (as example to pattern) with an appreciation of Machiavelli, written indeed when the author was still up at Cambridge but none the less well worth reprinting (pp. 270-287) as a sincere attempt to vindicate the political viewpoint of a thinker much neglected in those far-off pre-war days when political idealism was the fashion.

But the will to power of the human unit, whether simple or multiple, has a variety of offspring, and one of the objects of these "diversions" (as Mr. Fay modestly calls them) is to unearth and dissect different types of power found in modern economic life. A prolonged post-war residence in Canada (as professor of economic history) broken by annual visits to England afforded him the unique opportunity of studying the current problems of either country both at close quarters and at a distance. That he was able to press home this advantage to the full is due to the possession of three qualities—a capacity for clear thinking on independent lines; a gift for tracing identities amid the varied circumstances of time and place; and a power of clothing his thoughts in vigorous and arresting language. It is not too much to say that this combination of gifts has brought Mr. Fay to the forefront among adventurers on the high seas of economic discovery. If the present volume of essays does not enhance his reputation it will be surprising.

Some readers no doubt may find Mr. Fay's love for flying off at a tangent in the middle of a disquisition rather disconcerting; others may dislike his Victorian habit of moving from one phase of thought to another as if all experience were single and indivisible. To such readers the reply is:—There is a logic of the imagination as well as

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a logic of the intellect. If you cannot recognise and welcome the former when you come across it you can never hope to appreciate certain types of genius—Conrad's, for example, with whose mentality Mr. Fay has not a little in common.

No reader, however, will fail to be impressed by the author's analysis in Chapter V of Public Control (with special reference to electricity supply in Canada) and his extremely acute and practical discussion of the complex problems of emigration in Chapter VI. Both topics are handled with a freshness which is most invigorating.

The account given of "Hydro" (*i.e.*, the Hydro-Electric Power Commission of Ontario) is a model study of a great public utility; Mr. Fay indeed tells us so much about the economies which public ownership and operation has in the case of Hydro effected that he whets our appetite for more information regarding its purely administrative aspects. How, for example, has Hydro been able to steer clear of politics and "Treasury control" when two of the three Commissioners *must* be members of the Provincial Executive Council? This is one question to which many in this country would like an answer. Again, one would like to know more about the exact relations which the Commissioners maintain with the 250 odd provincial municipalities which take all their current from Hydro for purposes of distribution. In what sense can the Commission be described as a "trustee for the municipalities co-operating in the work." (This, by the way, is not a quotation from Mr. Fay, but from an American observer.) Some day let us hope Mr. Fay will give us a more detailed history and analysis of this great experiment. It should prove invaluable to students of the subject not only this side the Atlantic but on the other side of the Canadian frontier as well.

A. L. D.

Communal Enterprise and Social Services in Germany

By M. L. DHONAU. (Published by the Co-operative Union.) Pp. 62. Price 6d.

THIS clearly written and extremely interesting account of the way in which German municipalities function for economic and social purposes forms part of a research investigation undertaken in 1929 by Miss Dhonau into Municipal Government in Germany and Austria. Readers of PUBLIC ADMINISTRATION have already had an opportunity (in the issues for October, 1930, and each of the issues for 1931, including that in which this review appears) of acquainting themselves with other portions of Miss Dhonau's work. Those who are already familiar with the portions which have appeared in earlier

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issues of this journal will be well advised to get hold of a copy of the portion now under review. For this, together with the article which commences on page 423 of this journal, will enable them to clothe with flesh the skeleton which Miss Dhonau has already demonstrated. This sentence must not be taken to imply that the *structure* of municipal institutions is less important than their functions. The one without the other is largely unintelligible; and those readers will be fortunate who can refer back to Miss Dhonau's articles for explanations of terms which may otherwise prove puzzling.

Looking at Miss Dhonau's work as a whole (or such portions of it as have now appeared in print) one must, in all sincerity, praise her for the way in which she has tackled her task. One must equally congratulate the Acland Travelling Scholarship Trustees for their selection of Miss Dhonau as one of the two first holders of their Scholarship. Miss Dhonau does not merely write clearly; she gets to the bottom of each topic she is investigating. The result in this case has been a piece of work which not only throws fresh light (as far as English readers are concerned) on German local government, but opens out fascinating avenues of fresh discovery. One of them is the supply of gas in Germany (or rather its projected supply) wholesale from a central source. This subject (which appears to be one of acute controversy in Germany) is certain to become sooner or later of first-rate importance in this country too. Another is the rise in different parts of Germany of what Miss Dhonau calls "Communal Associations." These appear to be true *regional* local authorities with general powers of a federal type unlike anything which has yet emerged in Great Britain.

A. L. D.

Blackwell's Law of Public and Company Meetings

By A. W. NICHOLLS, M.A., of Gray's Inn, Barrister-at-Law, and P. J. SYKES, M.A., of Lincoln's Inn, Barrister-at-Law. (Butterworth & Co. (Publishers) Ltd.) 6s.

IN this age of many meetings individual members of the public are accustomed to the observance of certain well-established rules of procedure, and the average man or woman is usually content with the decision of the chairman on all such points when any question arises.

The publication of a new edition of Mr. Blackwell's Law of Public Meetings is perhaps opportune, giving as it does in Chapter I a short account of the legal position of promoters, speakers, and other participants in various assemblies.

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Subsequent chapters contain in a concise form the case law relating to the important Local Government bodies in England and Wales as affecting procedure, and although most of the readers of this journal are familiar with the more elaborated procedure set out in Standing Orders, a perusal of these chapters may be of interest, especially to the committee clerk.

The book is intended for the legal library, but the constitution and procedure of particular councils and statutory committees are discussed, and, in view of the recent increase of duties thrust upon those bodies, the information appears to afford a useful guide to the student of local government and new members of committees who aspire to the chair.

A complete list of the references to decided cases is given, and the provisions of the Local Government Act, 1929, have been noted.

Part II deals with company meetings, and the authors have endeavoured to deal concisely with the somewhat complicated and oft-revised procedure of the Companies Acts.

G. E. H.

The State Highway System of North Carolina

By CECIL KENNETH BROWN, Ph.D., Professor of Economics, Davidson College, &c. (The University of North Carolina.) 11s. 6d.

To an Englishman this history of the birth of the state highway system in North Carolina presents much interest owing to certain features of resemblance between that state and our own country. In area North Carolina and England are almost equal, each containing slightly over 50,000 square miles. North Carolina lies on the Atlantic seaboard, with a jagged, deeply-bitten coast line and broad estuaries; the surface of the state is pleasantly diversified like our English countryside, and slopes up from the broad coastal plain westwards to the Appalachian mountain range; the climate is genial and the soil fruitful. Fisheries and agriculture play an important part in the prosperity of the state, and of recent years North Carolina has assumed a leading position in the manufacture of cotton goods and tobacco products. Altogether one gains an impression of a landscape and economic conditions which would strike an Englishman as homelike and familiar, though it must be remembered that the population of North Carolina is barely one-twelfth that of England, while the largest town contains less than 90,000 inhabitants.

One thinks with envy of the wide field for social experiment and civic planning afforded by this prosperous, and as yet thinly populated, state, where the errors of older countries can be avoided and

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advantage taken of the most enlightened precedents laboriously created elsewhere.

A survey of North Carolina and of England ten years ago would have brought to light one very striking disparity: England was endowed with a close network of well-maintained metalled highways about 130,000 miles in length, while Carolina is described at that date as possessing "no significant mileage of automobile highways." This lack of roads is hardly a matter for surprise when one considers that the organization for highway building and maintenance in North Carolina had for several generations consisted of little more than the "labour tax" and the convict gang, operating under the nominal supervision in each district of an unpaid "overseer" appointed by the justices of the peace for the county. The "labour tax" was generally construed as imposing on all able-bodied citizens the obligation to give approximately six days' free service per annum on the roads. To supplement this grudging service an enterprising State Governor would now and again proclaim "Good Road Days" as public holidays and call upon the citizens collectively to shoulder their shovels and devote their energy and enthusiasm to a brief spasm of road improvement. The inefficiency of this machinery mattered comparatively little so long as the railways were recognized as the all-sufficient means of locomotion, but the opening of the automobile era called for the transformation not only of roads but of road administration. In promoting this movement of reform a leading part was taken by a pugnacious and importunate Good Roads Association, whose activities and conflicts are studiously recorded by the author. Thanks largely to their efforts, an Act was passed by the State Legislature in 1921 setting up an enlarged and properly equipped State Highway Commission, with power to raise loans for road building on the security of the yield of automobile licences and the gasoline tax. The nine commissioners, as well as the chairman, are appointed by the Governor, subject to the confirmation of the Senate. Instances quoted in the book under review show clearly how necessary it was for some organization to be created which could effectively check the local jealousies of the counties and insist on the construction of roads designed to facilitate communication over the whole area of the state without too exclusive regard to the interests of a peculiar county or township. To ensure the equality of distribution among the nine districts into which the state was divided it was prescribed that of the funds administered by the Commission one-third should be divided according to the relative areas of the districts, one-third according to the relative populations, and one-third according to the relative state highway mileage within the district.

Later on it was found necessary to establish an Equalization

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Fund, from which state grants could be made to necessitous areas or towards the cost of particularly expensive projects, such as bridges, &c. In a few exceptional instances the construction of toll bridges was encouraged.

As a result mainly of entergetic highway administration during the past ten years or so, North Carolina now possesses 60,000 miles of public roads, of which nearly 8,000 are state roads, though it is well to bear in mind when considering these figures that of the 60,000 mile total a large proportion consists of "top-soil" or "sand-clay" surfaces of a rudimentary character, which will doubtless have to be superseded by more permanent forms of construction as the state develops.

For those interested in road administration the book forms an interesting contribution to the State *versus* County controversy, which is likely to remain a perennial source of discussion in North Carolina and elsewhere. It is, however, to be anticipated that as time progresses the state highway system will continue to expand at the expense of the county mileage, and one may also anticipate that with the increase of long-journey travel there will be a tendency for the Federal Government to intervene more and more actively in the construction and control of inter-state highways. It is perhaps worthy of note that in Europe also increasing attention is being devoted to the problem of the construction of motor roads connecting the capitals of the principal European countries.

C. H. B.

Guide to Industrial and Social Legislation, with special reference to the Local Government Service

By F. ROBERTS, M.C., F.C.I.S. 318 pp. (Gee & Co. Ltd.) 10s. 6d.

THE publication of the report of the May Committee has created a wide public interest in the growth of industrial and social legislation, especially as regards financial commitments, and Mr. Roberts' guide to such legislation is accordingly opportune for the general reader as it is useful for students of the subject.

The title given to the work is, however, a modest one. Industrial legislation comprises enactments relating to such matters as trade unions and trade disputes, employers' liability and workmen's compensation, factories and workshops, and registration of business names, to which may perhaps be added, by a wide definition of the term, patents and designs, trade and merchandise marks and copyright, while among social legislation may be classed enactments relating to National Health and Unemployment Insurance, pensions and education. All these are dealt with in Mr. Roberts' work, but

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other matters are also included which are not wholly legislation in the strict sense of the term, nor are they necessarily referable to industrial and social matters. These additional subjects comprise contracts, agency, trusts, torts, wills and administration of estates, and local government. The work is not intended to take the place of legal treatises, a short list of which is set out in an appendix.

The ground plan of a deed in the chapter on Contracts is in effect a conveyance, and it is customary now, having regard to Section 57 of the Law of Property Act, 1925, to start such a deed with the words "This Conveyance." The distinction between a corporation sole and a corporation aggregate might usefully have been added to the remarks on this subject. Some corporations have an "official," not a "common," seal.

In the chapter on Trustees and Trust Property reference is made to the provisions of the Trustee Act, 1925, as regards the appointment, duties and powers of trustees, trustee investments, the audit of trust accounts and the work of the Public Trustee.

Under the heading of Trade Unions and Trade Disputes particular attention is paid to the position of central and local government servants, and the sections on this matter in the Trade Disputes and Trade Unions Act, 1927, are set out *in extenso*. Having regard to the purport of those sections it may seem strange that Whitley Councils are dealt with in the chapter relating to Trade Disputes, but this is obviously for convenience only. The chapter concludes with a dissertation on co-partnership, based on the author's article in the July, 1929, number of *The Accountants' Journal*.

The statement under the title of "Wills and Winding Up of Estates" that the value of land and buildings should be determined by the Land Valuation Department requires amplification. The personal representative should obtain a valuation of these and annex it to his Inland Revenue affidavit. The value so given is checked, on behalf of the Inland Revenue, by the Land Valuation Department. As regards succession on intestacy it should be explained that if the intestate leaves a surviving spouse and children or their issue the latter take the residuary estate on the "statutory trusts," subject to the right of the surviving spouse to a life interest in a half of the residue. It might also be pointed out that the pre-1926 law applies to the real estate of a lunatic or defective living and of full age on the 1st January, 1926, who is unable by reason of his incapacity to make a will and dies intestate thereafter without having recovered his testamentary capacity (Administration of Estates Act, 1925, Section 51 (2)). For a detailed consideration of the new law of intestate succession, reference should be made to the Act itself.

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In a lengthy chapter on Local Government the author mentions the following "restrictions and disadvantages" of the present method of government control or supervision:—

1. Minor authorities (*e.g.*, the parish) are hampered by all kinds of irritating and arbitrary restrictions.
2. Considerable delay is often caused in obtaining sanction to proceed with local authorities' schemes—in the majority of cases public inquiries have to be held.
3. Schemes and regulations prepared by a central authority rarely meet the requirements of all districts. Local authorities consider that they are the best judges of local requirements.
4. Local authorities are often unable, on account of the cost of obtaining Government sanction, to put into operation schemes they consider beneficial to the district. Private Bill procedure, which is sometimes necessary, is expensive.

This may be regarded as a controversial subject, and as regards Item 4 consideration may be given to the effect of the Public Works Facilities Act, 1930, to which the author refers on another page.

An outline is given of the Local Government Act, 1929, and the Poor Law Act, 1930, while reference is made to a number of statutes passed in 1930 bearing on social and industrial legislation. Housing legislation seems to deserve greater consideration in a work of this nature than a bare statement of the preamble to the Housing Act, 1930. The latter part of the chapter on Local Government is devoted to conditions of service of Local Government officers.

The work concludes with an interesting and detailed exposition on educational legislation and administration and a glossary of commercial terms.

Having regard to its vast scope, the work is necessarily condensed, a relatively large amount of space being occupied by quotations from statutes. Nevertheless it affords a useful introductory work to the student and, used in conjunction with the books referred to in the bibliography, should prove a helpful guide for those for whom primarily it is written, namely, local government and bank officers, accountants, secretaries, and social workers and students working for professional and commercial diplomas. Specimen questions for the benefit of the latter are appended.

N. V. R.

Government Regulation of Transport

The Interstate Commerce Commission: A Study in Administrative Law and Procedure. By I. L. SHARFMAN, Professor of Economics in the University of Michigan. Part I, 317 pp. (Published by the Commonwealth Fund, New York.) Price not shown.

We regard the United States as the country in which private enterprise is less restricted than in any other industrially organized

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State, where labour disputes are settled with the aid of tear-bomb, machine gun and barbed wire, and where severe anti-trust laws seek to maintain free competition as the main condition of efficiency and economy. It is therefore of particular interest to us to consider the evolution of a great achievement in Government control in a country so founded on the tenets of individualism.

The Federal Union of the States of America is based on a definite enumeration of matters which are to be dealt with by the Federal Government, all other matters being left wholly within the power of the several states, unhampered by central control. It is the more remarkable, therefore, that the facts of transportation have forced upon Congress not only a wide measure of control of inter-state but also of intra-state transportation. The compulsion must have been strong which could produce such a result in the U.S.A.

The work before us, the first of four volumes devoted to the study of the Interstate Commerce Commission, has been made possible by the Commonwealth Fund and supervised by its Legal Research Committee. The work has been well done, the facts are fully and clearly stated, the trend of developments is throughout kept in mind, and the detail has not in any way been allowed to obscure the main problems and the large factors which have decided the course of the Commission. Mr. Sharfman is to be congratulated on a very able exposition.

The Interstate Commerce Commission is concerned chiefly with railroad regulation. Its jurisdiction covers pipe lines, telephone and telegraph companies, cable lines, and certain aspects of water transport, but this sprang from its railroad duties, and its history is part of the history of the railroad development of the United States.

The State and Federal attitude to railroads at first was that of assistance by vast land grants and enormous money subsidies, the end in view being speedy and extensive railroad construction. This attitude was favoured by individualist tradition, the great initial risks of the industry, the need for continental development, especially westward, and the desire by all means to strengthen national unity.

The reaction, which was first shown in State legislation, was due to the evils of highly speculative railroad building, irresponsible financial manipulation, destructive competition, discriminatory rates, and, in general terms, the uncontrolled exercise of monopoly power.

The Granger movement of the early 'seventies—the agriculturists' protest against the tyranny of the railroad corporations—led several states to enact maximum rate laws and to set up commissions to maintain just charges. Though bitterly opposed as a threat to the security of private property, this legislation, like the British Railway and

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Canal Act of 1873, established firmly the right of the states to regulate the railroad carriers.

The safeguard against abuses given by competition was threatened by the tendency of railroads to co-operate, and the growth of abuses drove the Federal Government into the field of public control, since the action of states was ineffective in respect of the rapidly developing interstate traffic. A decision of the courts, that the right to regulate commerce whose origin or destination lay beyond the boundaries of a given state was exclusively a federal function, even as to that part of the transportation entirely within the state and despite the absence of federal action, led directly to the assertion of national authority in 1887.

The Act to Regulate Commerce of 1887 created the Interstate Commerce Commission, and was the first of a long series of regulating Acts, culminating in the Transportation Act of 1920, which, under the influence of war experience, not only strengthened previous legislation as to control of rates, including a power to "recapture" excessive earnings due to the unequal working of fixed rates and power to deal with intrastate rates in certain conditions, encouraged combination, subject to approval by the Commission, enlarged the Commission's control of financial organization, the issue of securities, and the like, but, longest step of all, gave the Commission powers in respect of railway "service," which extended its functions to include managerial policies and operating details, with wide emergency powers and with power to prescribe extensions of the roads.

The route to this sweeping national control from the feeble rate-supervising powers of the 1887 Act was long and hard in face of the hostile attitude of the courts, the opposition of railroad interests, and the national dislike of interference by the state and still more of interference by the Federal Government. But under pressure of the facts the recognition of a public interest in the railroads, largely due to the efforts of the Commission itself, had led a strongly individualist country to give a national commission great powers of control over privately operated carriers. True managerial independence, as distinct from freedom in internal organization and administration, is largely a matter of the past in the industry, while the extent to which the Commission exercises legislative and quasi-judicial functions would make even Lord Hewart praise the moderation of English bureaucracy.

As on the economic side, so on the "health and safety" side the Commission has had to step into the place of the several states and take over the regulation of the industry. It has found, as is the British experience, that substantial progress was made only when it had its own inspectors to inquire and enforce, but with railways, as

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with mines, the U.S.A. has not yet made up its mind to secure inspectorates sufficiently high in standing to obtain the best results.

One of the most interesting parts of the volume is the account of the experiences of American railroads during the war, leading up to the Proclamation of 26th December, 1917, by which President Wilson took possession and control of all rail systems of transportation. The effect on the traffic jam which was holding up supplies of all kinds was immediate and probably no other course would have been effective.

This volume deals with the legislative basis of the Commission's authority, traced as a historical evolution and with continual reference to the character of the administrative enforcement of the Acts. It is to be followed by three others dealing respectively with the scope of the Commission's jurisdiction, the character of its activities, and its organization and procedure.

A piece of work well worth doing.

E. J. F.

Chicago Police Problems

By the Citizens' Police Committee. (University of Chicago Press.) \$3.

THIS volume was published in March of this year, a month or so before "Big Bill" Thompson ceased to be Mayor of Chicago, a position which, except for one short interval, he had held continuously since 1915. Its disclosures as to the deplorable state of the Chicago police may have contributed to his defeat at the election, seeing that in the first chapter emphasis is laid on the fact that the police problem of Chicago is settled at the ballot-box and that the general public largely determine what the police shall be like when they elect their Mayor. This is because the Mayor, and he alone, we are told, can dictate the kind and quality of police administration which the city shall receive, a state of affairs which is apparently true of American cities in general. There is abundant evidence in this book that under "Big Bill" Chicago enjoyed the lowest possible grade of police service, and that, as the grand jury of Cook County (of which Chicago is the capital) expressed it, the police department was "rotten to the core."

Chicago is the second largest city in the United States, with a population of about 3½ millions and an area of about 200 square miles. Its ratio of police to population is considerably lower than that of London and also than that of New York and other large cities on the United States, although one would expect an exceptionally high ratio, as Chicago is the world's "crime capital." It has retained throughout its history much of its original Wild West

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character and the police are confronted with a traditional state of affairs as regards crime and criminals which is totally unlike anything that has ever existed in England. Murders in Chicago are about as common as burglaries in London. A large proportion are "gang murders," i.e., murders committed in the course of the gang warfare against which the police seem entirely powerless. In no single case in the last seven years has anyone been brought to book for a gang murder. Why this should be so can be understood after reading this book, which sums up the position with the statement that "the distinguishing mark of the well-established three-cornered alliance between the police department, the corrupt politicians, and the criminal element, which exists in Chicago, is murder on a large scale."

It is only incidentally, however, that the book refers to this three-cornered alliance. It is in the main an analysis, and a very able one, of police organization and methods with detailed proposals for reforming them in Chicago. This task was entered upon under the auspices of a supervisory committee of professors and others on the staff of the North-Western University and Chicago University and an advisory committee of citizens of Chicago. The inquiry was carried out with the assistance of the Institute of Public Administration in New York, which lent its police expert, Mr. Bruce Smith, for the purpose, and the book is a monument to the labours of Mr. Smith and the staff of investigators under him. It originated in a request made in 1929 by the then Commissioner of Police to the Presidents of the two Universities, of the American Institute of Criminal Law and Criminology and the Chicago Crime Commission for an impartial and unprejudiced study of the problems which confronted the Chicago police department. "Big Bill" seems for the time being to have approved or at least raised no objection to this inquiry, but later the adoption of some of the recommendations set out in the book and possibly the announcement by the Commissioner that he intended to make Chicago "so quiet that it would be possible to hear a consumptive canary cough," were followed by the Commissioner's resignation and the reversal of the changes made.

An outstanding point of weakness in the police system, not only of Chicago but of the United States generally, is that the head of the police force is a political bird of passage whose tenure of office is dependent upon the good will of the party bosses. If he attempts to show any undue independence his days are numbered, and he is allowed little or no control over the police force that he is supposed to administer. In order to make any impression on the public he is driven to talk in headlines, and the utterance just quoted of the Chicago Commissioner can be paralleled by a New

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York Commissioner's statement when announcing his plans for dealing with possible labour disturbances on 1st May (with tear-gas squads, aeroplanes, &c.) that if anyone was to be Queen of the May it would be himself. Like the Chicago Commissioner, he shortly afterwards retired into private life.

The authors of this book recognise that it is impossible to expect any improvement in the existing state of affairs until the police force is freed from partisan and other influences foreign and inimical to police work. All semblance of discipline is destroyed by the influence and control of party politicians exercised not only on behalf of individuals in whom they are interested but through an institution which was designed and is popularly believed to be a kind of civic watch-dog and bulwark against such a state of affairs, namely, the Civil Service Commission.

Chicago's Civil Service Commission was set up nearly forty years ago in order apparently to introduce something in the nature of regularity and permanence into the municipal service. It is concerned not merely with examinations and appointments but also with promotions and all disciplinary cases involving dismissal, or, to use the American expression, "separation from the service." The Commission and not the head of the force is the real power in the management of police personnel; no member of the force can be promoted or dismissed without its approval. The Commission is entirely subservient to the party organization to which the Mayor belongs. When this book was being written a member of the Commission was under indictment for selling promotions in the police department, and the Chief Justice of the Criminal Court had stated that it was common knowledge that for many years there had been a fixed scale of prices for advancement in the police department, according to the rank and salary of the office sought. The Commissioner of Police may dismiss an inefficient policeman, but if he has friends among the party leaders the Civil Service Commission will reinstate him. Instances are given where the Commissioner has repeatedly discharged an unsatisfactory probationer and the Civil Service Commission has continually reinstated him, until at last by length of service he acquired permanent status.

One illuminating fact brought out in the book is that, whereas in the Metropolitan Police District and in English police forces generally, about two-thirds of the total strength are employed in the street on beat, patrol, or point duty, in Chicago only one-ninth are so employed, and it is stated that, despite the fundamental importance of uniformed patrol in every police force, this branch of the service is almost everywhere in the United States a rapidly vanishing institution. Plain-clothes duty absorbs about 20 per cent. (as compared with less

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than 5 per cent. in the London Metropolitan Police), and large numbers are employed on motor patrols (whose work is very badly co-ordinated), office duties, &c.

However astonishing its revelations as to the state of the police in Chicago and other cities of the United States, this book is one more piece of evidence as to the expert grasp of police problems as a whole possessed by those who are active in the growing movement in the United States in favour of a better police system. The methods of the American police are likely always to differ from ours because of the fundamental difference in conditions and in the attitude of police to public and public to police. This difference is perhaps sufficiently conveyed in the following sentence which is a general description of the position and powers of an American policeman:—

“As a matter of constant routine he goes forth into the night, armed with a club and a revolver, and clothed with an extraordinary authority, which may, upon occasion, include informal exercise of the powers of the prosecutor, the judge, and even of public executioner.”

Nevertheless the book shows that much the same problems of police organization and administration arise in the United States as in this country, and a great deal can be learnt from the constructive proposals of this book. If under the new Mayor of Chicago, Mr. Anton Cermak, the police problems of Chicago are tackled in the spirit and in the way recommended by this book, Chicago's police system might well become second to none.

The International Institute of Agriculture

An Historical and Critical Analysis of its Organization, Activities and Policies of Administration. By ASHER HOBSON. xi + 356. (University of California Press.) \$3.50.

It was no secret among those interested in the internal politics of the International Institute of Agriculture at Rome that Mr. Asher Hobson, who was until recently the American delegate on the Permanent Committee of the Institute, was writing a book which would explain why the United States Government had virtually withdrawn its support from the Institute. It is true that, as he says in the Preface, he writes on his own responsibility and not as an official mouthpiece of his Government; but his testimony is all the more valuable on that account.

The story that he unfolds is indeed remarkable. The International Institute of Agriculture owes its origin to the dogged persistence of an eccentric Californian, David Lubin. Cold-shouldered in Washington,

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London, Paris, and Berlin, he at last persuaded the King of Italy to listen to him. His object was to create an organization which would become the most potent instrument of the world's agriculturalists in improving their lot and protecting their interests. The Italian Government were interested in his scheme mainly as a means of acquiring diplomatic prestige, and from the outset Lubin's ambitious proposals were whittled down to a safe and humdrum programme and overlaid in a network of red tape.

The Institute was created as a purely official body controlled by delegates of sixty or more member states, and its principal achievement since its foundation has been the compilation and dissemination of official statistics of agricultural production supplied to it by governments—a task that could be discharged to-day by a sub-section of the Statistical Division of the League's Secretariat. In the interpretation of statistics, in the supply of up-to-date market intelligence, in original economic investigation, and as a clearing-house of information on scientific research the Institute has failed to make good and is of little or no account at any rate in the British Empire and the United States.

The author attributes the major share of the blame for these shortcomings to the Italian Government. In violation of the Treaty and of the resolutions of successive General Assemblies the effective control of the Institute and the appointment of its chief officers have been usurped by the Italian Foreign Office. The result has been to dissipate the energies of the Permanent Committee, the majority of whom are attachés of foreign governments in Rome, in unprofitable wrangles which have seriously detracted from the efficiency and smooth working of the Institute. The evidence of mismanagement and intrigue which Mr. Hobson discloses confirms a principle, which is firmly upheld by professional members of the Institute of Public Administration, viz., that the direction of technical services should be entrusted to expert technicians and not to administrators with little or no technical training or interest to fit them for the job, and least of all to ambitious placemen trained in diplomacy or politics.

It is something of an achievement to have made a readable and lively story out of a study of international administration. Many members of the Institute of Public Administration could no doubt do the same about their own jobs, were they free to do so. Mr. Hobson has the advantage that the minutes of the Permanent Committee are printed, and frequently his disclosures of the intrigues that took place behind the scenes form an amusing commentary upon the smooth words and diplomatic inanities enshrined in the *procès verbaux*. Another advantage is that he is free to say what he likes, and does so with a moderation and frankness that carry conviction.

Public Administration

If it became the practice for the proceedings of Cabinets, Royal Commissions; Government Departments, and local authorities to be subjected to so critical an analysis as this by their former officials, the science of administration would be considerably enriched. For this book is not merely a topical document telling the world what is wrong with the Institute of Agriculture at Rome but a contribution of permanent value to the study of administration. As such it should find a prominent place among source-books for students and lecturers on the principles of public administration.

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