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EXAMINATIONS

NOTICE is hereby given that the next examination of
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held in London, Manchester, Cardiff and Leeds on the
following dates:—

PRELIMINARY EXAMINATION		April 30th and May 1st, 1934
INTERMEDIATE EXAMINATION		May 2nd and 3rd, 1934
FINAL EXAMINATION		May 1st, 2nd and 3rd, 1934

Candidates desirous of presenting themselves must give
notice to the undersigned on or before March 22nd, 1934

By order of the Council

A. A. GARRETT
Secretary

Incorporated Accountants' Hall,
Victoria Embankment,
London, W.C.2.

National Association of Local Government Officers

NOTICE is hereby given that the next Examinations of the Association for clerical and administrative officers in the Local Government Service will be held on:—

January 18th, 19th and 20th, 1934
May 24th, 25th and 26th, 1934

Candidates who desire to take the Examination in May, 1934, should give notice to the undersigned before 1st April, 1934.

24, Abingdon Street,
Westminster, S.W.1

L. HILL
General Secretary

INSTITUTE OF PUBLIC ADMINISTRATION

WINTER CONFERENCE
Council Chamber, Westminster City Hall,
JANUARY 27 AND 28, 1934.

Subjects:

Road Traffic Licensing

By A. T. V. Robinson, C.B.E.

A Day in my Official Life

By Six Members of the Public Services.

A Dinner (4s.) and Dance (3s. 6d.)
will be held in the evening of Saturday,
January 27th.

Full particulars of the Secretary,
Institute of Public Administration,
Palace Chambers,
Bridge Street,
London, S.W.1

INSTITUTE OF PUBLIC ADMINISTRATION

The Haldane Prize

THE Council invites entries for the tenth essay competition for the Haldane Prize of £10 and a silver medal, which will be awarded to the writer of the essay which is regarded as forming the most useful contribution to the study of Public Administration. The Council leaves the choice of subject open to the competitor, and the conditions are as follows:

1. The competition is open to all Members, Associate Members and Associates of the Institute.
2. Copyright in the prize-winning essay is vested in the Institute of Public Administration, and no responsibility is accepted for the return of essays to the writers.
3. All essays must be submitted under a *nom de plume*, the full name and address of the competitor must be written on a separate sheet of paper and enclosed in a sealed envelope bearing the *nom de plume* outside, the envelopes to be opened in the presence of at least two officers of the Institute after the judges have given their award.
4. The award of the judges, appointed by the Council of the Institute, is final.
5. The length of the essay must not exceed 5,000 words.
6. The Council of the Institute reserves the right not to award the prize in the event of no essay being sent in which, in the opinion of the judges, reaches a satisfactory standard.
7. The Council also reserves to itself the right not to award the prize and medal more than once to the same competitor.
8. All essays must be sent to the Secretary of the Institute, Palace Chambers, Bridge Street, Westminster, S.W.1, not later than February 13, 1934, the envelope to be endorsed "Essay Competition."

Public Administration

The Journal of the Institute of Public Administration
Palace Chambers, Bridge Street, S.W.1

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11. 2. 1950

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not to-day, and there never has been, a competent and adequate government, capable of satisfying all its critics; nor do I ever expect to see one in this country, so long as free speech is left to us. Perfect governments are only to be found where the prisons are full. But I am sure my colleagues, past and present, have often been glad that, after the smoke-screen of our perorations had blown away, there remained the Civil Service to press forward and possess the land.

One other preliminary remark I should like to make about the Institute. There are many sorts of ministers. (I don't see, by the way, why we should not call the Prime Minister the Prime Servant—it might help to raise the status of all other servants!) I was saying there are all sorts of us. Lord Haldane was one of the most valuable sort—he was interested in the machinery of government, a subject distasteful or dull to some minds. I recall the help he gave in the days of your incubation. And I rejoice to-day that another elder statesman, with long and manifold experience of heavy responsibilities, Sir Austen Chamberlain, is putting his stores of knowledge and wisdom at your disposal. No minister has had a juster sense of the claims of your high calling to respect and reward.

I cannot claim to be deeply versed in the theoretical study of administration or to be capable of comparing our own practice with that of other countries. I can only lay before you with diffidence some disconnected reflections, arising from a public life which began as a parish councillor. Both as a parish and county councillor I have been brought into close and responsible contact with many branches of local and central government.

I shall have on this occasion to leave out all reference to the great Indian, Colonial, and Diplomatic Services—they would need an address all to themselves.

The first impression made upon me, when I survey the history of our public administration, is that it is thoroughly typical of our national character. It was dominated for centuries by our intense individualism, by our preference for the amateur as against the professional, the unpaid layman as against the salaried expert. It would not be a grotesque exaggeration if I said that, until the machine age arrived at the end of the 18th century, we knew nothing of officials, pure and incorruptible, in this country. The revolution which brought machinery into production brought also machinery into government. One was the offspring of the other, as is apt to be the way of the machine. It is a most prolific parent.

I have put broadly the position as it was up to a hundred years ago. We had neither a Frederick the Great nor a Colbert. Of course, there were exceptions of sorts. There was an outburst of administrative energy, as of other energies, round about 1600 when Burghley

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attempted to relieve the misery of the time by means of a better Poor Law. A stream of Orders flowed forth from the Privy Council to the justices of the peace all over the country and, but for the outbreak of the Civil War, we might have ante-dated somewhat a thoroughly articulated system of central and local government in close and effective correspondence. But the Civil War snapped such links as had been formed between London and the villages. And so it came about that, through the 17th and 18th centuries, the typical administrator was the ordinary private person and not the trained specialist. The affairs of the parish were managed after service in church on Sundays or at the village inn on week-days, by the incumbent, the churchwarden, the overseer, the constable and the parish officers. Many of these could neither read nor write. This parish cabinet made the church rates, the poor rates, the highway rates; they preserved the peace and fixed the quota for the militia; they regulated scales of wages and prices and saw to the apprentices. They drew no salaries, but there were fees, and possibly other perquisites. There was an annual rotation of willing and unwilling occupants of these posts, it being assumed in the English parish, as in the Greek city-state, that a citizen was a man fit to rule and be ruled. You see this clearly in that ancient British institution, the policeman. A policeman, the Home Secretary tells me, is defined as a person expected to perform, as a matter of duty, acts which, if so minded, he might have done voluntarily. That is to say, he is a good citizen who happens to have a small emolument attached to him. But we are all potential policemen, and sometimes, when the moment comes to us, we rise to the heights of our privilege.

That is precisely what Mr. Fisk, the Battersea bricklayer, did the other day. He is a perfect illustration of the old order which prevailed in the days when the justice of the peace was the corner-stone of local government: "The whole Christian world," said a great 17th-century judge,¹ "hath not the like office as justice of the peace if duly executed." You have been described by another famous judge as the New Despotism, and I might speak of the ubiquitous justice of the peace as the Old Despotism. He gathered unto himself all sorts of powers, legislative, executive, judicial, which later pundits said ought never to be united in one and the same person; powers which it has needed Lord Sankey's Committee to discover whether you were not insidiously restoring to your avaricious selves.

The great and inevitable change came with the Local Government Act of 1888. When I was at Cambridge, we had a brilliant exponent of the history of law, F. W. Maitland, and in that year he wrote an almost passionate tribute to the justice of the peace. It had the

¹ Coke.

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intriguing title "The Shallows and Silences of Real Life." You must allow me to give you a taste of it, in a few pungent sentences.

"An old form of local government which has served us for five centuries and more is breaking up. Hitherto such government as our counties have had, has been government by justices of the peace—government, that is, by country-gentlemen. This institution has had a great past, we had almost said a splendid past; but Englishmen, unless they are taught by foreigners, seldom see its greatness, and to talk of splendour might therefore seem absurd A history of the 18th century which does not place the justice of the peace in the very foreground of the picture, will be known for what it is—a caricature The justice is a modest man; he has no constituents, and therefore can afford to be modest; perhaps he seldom knows how important he really is. He has become accustomed to hear small wit broken over 'the great unpaid'; and, doubtless, to be great and yet unpaid is a piece of aristocratic insolence But to have made men merry, this surely is not even yet the unpardonable sin; that from age to age people have been pleased to be pleasant over their governmental institutions is surely not a fact which damns those institutions as unsuitable to the people. A joke is better than a curse, and local rulers have not always gone uncursed in all parts of the world And then it is so purely English, perhaps the most distinctively English part of all our governmental organisation. The small group of country gentlemen appointed to keep the peace, to arrest malefactors, and lead the hue and cry, acquires slowly and by almost insensible degrees the most miscellaneous, multitudinous duties, judicial and administrative, duties which no theorist will classify, for their rich variety is not the outcome of theory, but of experience. And all the while this group shows the most certain sign of healthy life; it can assimilate fresh elements of the most different kinds, and yet never cease to be what it has been. Aristocratic it has been from the first, but never oligarchic; always ready to receive into itself new members who would have the time, the means, the will to do the work, without inquiring into the purity of their pedigrees or their right to coat armour. Our justices have never been a caste, nor the representatives of a caste; there has been nothing feudal, nothing patrimonial in their title; they have represented the State, and yet no one would call them officials Of all known forms of local government, government by justices of the peace is the purest and the cheapest."

Maitland admitted freely that a great change was absolutely necessary if any decent order was to be got out of the weltering chaos of

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the areas and powers of the numerous boards set up in the fifty years preceding 1888. Consolidation and simplification were urgent. Responsibility had been scattered about in fragments; not one man in a thousand knew under how many "authorities" he lived. But Maitland was intensely anxious that responsibility should not be shifted to the centre. He knew there might be jobbery and corruption, incompetence and extravagance, but he was all for self-government; no compromise between old and new, no half-measures, no spoon-feeding.

"The local bodies should be left to flounder and blunder towards better things There is no good in half trusting men; they should be trusted fully or not at all Give the local 'authorities' a large room in which, if they can do no better, they can at least make fools of themselves upon a very considerable and striking scale."²

I shall not pursue that topic now. All I wanted to do was to remind you that, through all these centuries down to the middle of the nineteenth, there was in England no centralised bureaucracy such as had grown up in France and Germany. And the obverse of that is the strong local loyalties and attachments which even to-day administrators in Whitehall are never allowed to forget. This is why peers and bureaucrats are damned together in political pamphlets; why the Englishman talks of his home as his castle; why the traditional image of the civil servant is of an "outsider" laying siege to that castle and threatening to deprive its occupant of immemorial rights to life and liberty.

I pass to a second general reflection prompted by this rapid glance at your history. The welfare of the common man is more deeply affected by the administrator than by the legislator. If, as someone said, the parliamentary draftsman refines the ministerial peroration into the preamble of a Bill, so the application of the Act to the individual person is the task of the civil servant. He has to translate law into policy and apply power and pressure to the citizen throughout the multitudinous activities of the modern state. He has to fit the shoe to the foot with the minimum pinch and squeeze. Which, in more exalted language, means that administration is the essence of government and its quality a prime condition of civic comfort.

If we compare the position in 1855, when your Service was put on its present basis, with the position to-day you will see at once that the legislator and the administrator have changed places in importance. Relatively, there is now far less legislation and far more regulation. The vast increase in the range and detail of administra-

² Maitland, "Collected Papers," Vol. I, pp. 467-479.

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tion in the fields of education and employment, health and housing, transport and taxation, began roughly in 1833 with the first effective Factory Act and the appointment of inspectors. That was only a hundred years ago. The country tolerated government by the fox-hunting squire, with all his faults, for centuries, but it refused to submit to the unbridled rule of the factory profiteer for much more than a generation.

Two things of great moment happened in due course. The country transferred local government from the justices of the peace to elected bodies, and it transferred central government from *nominated* to *examined* clerks, from private patronage to open competition. Neither operation was welcomed at first. In England, as in Ancient Rome, we have a deep respect for tradition; we adapt old structures to new needs and disguise change under the cloak of pleasant fictions. The disturbances of 1848 had given Whitehall a shaking and the reform of the Service in the fifties was Draconian. It took many years before the grumbling died down. Queen Victoria heard of the proposals with considerable misgiving and only gave her sanction after Prince Albert had obtained further explanations from Mr. Gladstone of the grounds upon which he thought the new regulations necessary.³ Incidentally, I may mention that she foresaw the need of the interview as well as the examination, a change not made, I think, until within the last 20 years. The remarkable fact is that in three score years and ten the reformed Service has attained, among all thoughtful observers, an incomparable prestige throughout the world for capacity, intelligence and integrity. It has been said that Bagehot was the first to discover the importance of 10, Downing Street, but he had nothing to say of the Civil Service and he was writing as late as the sixties. When, six years ago, Lord Balfour came to write a new introduction to Bagehot's study of the Constitution, the Civil Service had become the shock absorber of the chariot of the State, silently smoothing out "the most abrupt vicissitudes of Party warfare."⁴

You stand, as I see you, in three sets of relations; to one another, to the Government of the day, to the general public. It is the business of this Institute to study these relations in a scientific and judicial spirit and thereby to help to raise the character, the knowledge, and the achievement of our central and local Services to such a pitch that they may long continue to be the envy of all other countries.

Your relations to one another are dealt with under a comprehensive umbrella known as Establishment—peculiar problems of recruitment, pay and discipline. Peculiar because you are removed

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from the fluctuating market for labour and given security of tenure. You have to provide services which are neither rewarded with profit nor punished with loss. You have to serve each customer alike, and all of them. The customer cannot leave you for another shop without a passport from the Foreign Office. For many goods you are the only available shopkeeper and your prices are fixed not by the higgling of the market but by what the victims will bear.

Now this peculiar sort of shopkeeping, all the world over, produces certain similarities in the shop assistants—it affects their habits, their manners, their speech and even their literary style. It is risky to particularize. Your virtues are taken for granted; they cause no sensation. It is one of yourselves⁵ who has described you as coming up by the same train every morning from Woking to Whitehall and going home at the same time every evening from Whitehall to Woking, always seeing the same people, always dealing with the same work. You are said to see life darkly through a forest of "previous papers." You have an uncanny gift amounting to genius, for formulating unanswerable objections to every course proposed. You are "unable to conceive," and you "fail to understand." Your official letters inform us that, on the whole and subject to correction, the radii of a circle tend to be equal one to another, and that therefore no action appears to be required. The answers to Parliamentary Questions which you provide for Ministers have, like the arguments of Sir Robert Peel, "no stays." You have taken to heart Talleyrand's advice to his secretaries: "Above all, gentlemen, not too much zeal."

This traditional portrait of the civil servant is, as you all know, libellous to-day. But the permanent problem remains. How are we to surmount the drawbacks of security, routine and a pension by devices which act as incentives and provoke mobility; how send fresh currents of energy circulating through the administrative body from the central power-house of public opinion. The Service is stable but it is not static. New demands upon you are daily correcting the bias towards stagnation and the paralysing fear of error and risk.

In my time a determined effort has been made, by the present Head of the Service, not only to deepen the sense of corporate unity but to promote movement within the Service so as to fit diversity of gifts to diversity of duties. I know that he has sought to survey all departments, when important vacancies occur, so as to secure the best available officer. All departmental ministers, except the Chancellor of the Exchequer, think the power of the Treasury has increased, is increasing, and ought to be diminished. Doubtless those of you who serve in departments other than the Treasury similarly feel that your

³ "Letters," 17th February, 1854. Vol. II, pp. 10, 13.

⁴ Introduction, p. xxv.

⁵ Sir Samuel Wilson, Evidence, Royal Commission on Civil Service, 1929, Q. 20981.

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gifts too often go unrecognized. There is an inescapable element of chance in all promotion and it may console you to know that this applies to ministers as well as to civil servants.

This brings me to the second set of relations of which I spoke—your relations to the government of the day. There are nearly half a million of you in the service of the central government alone and, when I speak of your relations with the government, I am necessarily thinking mainly of the thousand men at the top through whom contact with the legions beyond is maintained. Of the thousand, or twelve hundred, to be nearer the mark, I suppose I have had personal dealings with a hundred, and it is this experience which leads me to repeat the words I used publicly on a former occasion⁶: “I shall never forget and I shall always be proud to have been associated with you.” I know that you are not likely to say that of us. Who was it said that you regard us with equal loyalty and contempt? You know a great deal and do not expect too much. You take us seriously but not tragically. You prefer power to fame; you do the work, take the cash, and let the credit go and we have been told that there are few things a man cannot achieve if he is philosophical enough to forgo the credit.⁷ I hope you will escape the modern itch for publicity and preserve your anonymity. “The stars make no noise”—none at any rate that we can hear. I for one regretted that the editors of the Foreign Office archives should have proclaimed the authorship of memoranda written by civil servants. Publish the memoranda by all means, if thought desirable, but leave the confidential advisers of ministers absolutely untrammelled by any thoughts of publication now or hereafter. Otherwise a subtle and damaging change in the relations of ministers and their advisers will most certainly follow.

It is easy to say that the business of ministers is the formulation of policy and the duty of their officers is to carry it out. That is the sound and logical distinction but it is far from an exhaustive definition of the relationship. If the Cabinet, in Bagehot's phrase, is a buckle or a hyphen between the legislative and the executive, the Civil Service is a stabilizer. It must be so when the realm of administrative practice embraces vast tracts of the public life which are unaffected by changes of government. When changes are proposed it is the duty of the Service to indicate how the settled practice will be disturbed, “in order that the parliamentary convenience of to-day may not become the parliamentary embarrassment of to-morrow Vacillation, uncertainty and inconsistency are conspicuous symptoms of bad administration.” The formulation of policy, in this limited sense, is of the essence of sound administrative

⁶ Civil Service Dinner, 18th March, 1929.

⁷ Herbert Paul, “History of Modern England,” Vol. I, 248.

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work. And it is the justification of the proposals for amending legislation which issue from the departments.

But, some critics will ask, what have I to say about the position when new and advanced parties come into power and propose sweeping changes. My answer is that, when such ministers know what they want and have behind them a united Cabinet, they may count on the loyalty of the Service to co-operate in giving effect to the agreed policy. It is when ministers are weak, confused and divided that trouble may arise: and that may happen in turn to all parties. When ministers do not know the right thing to do, masterly passivity may be the civil servant's wisest course. *Natura non facit saltum* is a sound political proverb. Ideally, I suppose, a British Civil Service would restrain the parties of the Left and accelerate the parties of the Right, and thus keep the ship of State on an even keel. But a Civil Service which failed to mirror the prevailing public opinion in this country and hardened itself into an obstinate bureaucracy would find itself ere long, to use a phrase of General Smuts, “dynamited out of its fixed position,” if less drastic measures would not suffice. Bureaucracies in the bad sense have begotten revolution from the days of the Gracchi to the days of the Bolsheviks. There is no danger in this country in that direction. Why should there be so long as the best brains of every rank and section of the community and therefore every type of domestic and civic experience go to staff the Service? And that is what is now happening. It is one safeguard. The other is that we are still free in this country to speak our minds, and I do not see any Civil Service which is going to muzzle us. It is not from this quarter that our liberties are menaced.

I have thus reached the third set of relations—your relations with the general public, and, in view of a recent event, need I say more under this head than suggest you should invite the Public Relations Officer to contribute by and by his impressions to the then Journal of the Institute? His appointment by our enterprising Postmaster-General is only the latest example of the flexibility of our British system and its determination to shun the sins of bureaucracy. That is an illustration from one department whose ramifications are everywhere. It could no doubt be paralleled from other departments, including those which are directed to acquaint us of their raids upon our income in language so considerably phrased that the fullness of its meaning only gradually dawns upon the lay mind. Even in our Income Tax we are slaves of the national character, for I understand that the structure of the present law was built ninety years ago and that it in turn was based on an Act passed by Pitt forty years before.

Lover of the old ways that I am, I confess that we carry this

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reluctance to remodel old statutes too far and that Lord Eustace Percy, who addressed you a year ago, has made out an overwhelming case for a determined effort at simplification. The alternative is strangulation. Blood-letting by Royal Commission is altogether too mild an operation for the disease which threatens us. We might try a Commission with Sir Ernest Benn as Chairman, and Mr. A. P. Herbert as Secretary. But could they resolve our troubles without, for example, abolishing the social services? It is a vain dream. You cannot go back to the rule of the country gentleman. The England of the 20th century is a very different place from the England of the 18th. Urban populations and mass provision of services are inseparable. In a world of interdependent states mass organisation is assaulting agriculture, the last citadel of individualism.

When we read that the Milk Marketing Board has sent out 200,000 forms of contract all over England and Wales in just over a week and that all the milk to be produced in this country for the next six months has been sold we realise that old contrasts between urban and rural industries are becoming meaningless. A farm is more and more a factory and, where the machine enters, the inspector, the accountant and the auditor, like Mary's lamb, are sure to follow. For the machine, if the friend of man, is also the enemy of freedom and personality.

Must we then accept without demur standardisation and regulation? Far from it. We know to-day the evils they have brought and will bring again in their train. We are forewarned and should set going and keep going the measures which will counter and correct them. The simplification of laws and orders and rules is the first of these measures. I am told that English law is contained in some four thousand statutes, some of them in a language which nobody has spoken for five hundred years, and in thousands of subsequent decisions. Can we prevent administrative law and practice sharing the same fate and the Civil Service reproducing the less good features of the legal profession?

We must, secondly, fight the rigidity of laws and rules and regulations which are framed for men in the mass by devices which will emphasise and protect the individuality of the citizen. If law excludes the imponderables by the front door, we must see that administration brings them in by the back. The realm of discretion and differentiation must be kept as wide and elastic as possible so as to check the process of pulverising the individual into fragments corresponding to the State departments which deal with him. This counter-process is going on but it needs to be far more vigorous. In our half-conscious, rule-of-thumb way, we have invented intermediate authorities in the sphere of industry to provide a greater

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flexibility than usually goes with State ownership: the Port of London Authority, the Central Electricity Board, the Racecourse Betting Control Board. In the sphere of central government, the great departments draw on the experience of Advisory Committees, and the Cabinet itself on an Economic Advisory Council. In the sphere of the social services, there is not only the enormous growth of individual treatment in the work of the Board of Education and of the Ministry of Labour, immensely developed in the administration of unemployment benefit, but there is the growing use by the Government of those voluntary agencies for which this country is almost as famous as it is for its Civil Service. The real objective of all these arrangements is to rescue the citizen from the standardising pressure of the State's mechanism.

When we walk out in the country and come suddenly upon one of the new main roads, broad and costly, straight as a sawn plank, driven through the silent fields, fenced with concrete posts, and traversed by the rolling lorries and the flying cars, we cannot withhold our admiration for the might and skill of man's inventive power. But how glad too we are to escape from the hard glare of the white road to the modest village tucked away from sight and sound, reached through twisting lanes and leafy hedgerows, friendly to the stranger and dear to the native.

In this work of respecting the idiosyncrasies of men, of cherishing I might almost say their non-conformity, their uniqueness, by giving freedom its fullest scope in a world in which certain minimum standards of conduct must be observed, I appeal to the civil and municipal servants to co-operate. I appeal to them to do so on the low ground of their own ultimate interest, and on the high ground of the welfare of the land we love and serve, so rich in the variety of its human character.

I referred earlier to Ancient Rome and I shall end there. Were I a Civil Service Commissioner, I should give high marks for a thorough knowledge of the history of the Roman Empire. I hope the thousand chiefs of the Service, of whom I spoke, are as familiar with that history as they are with *Hansard*. Ancient Rome, it has often been said, bequeathed to mankind an example and a warning and this is most true in the context of my subject to-day. Republican Rome, like Great Britain, experienced government by an unpaid aristocracy and exploitation by irresponsible profiteers. It was the merit of the great Roman Emperors to provide a professional and permanent Service to run the empire, and historians have found the greatest work of Rome's imperial age in their provincial administration. It is a fascinating chapter and its moral is writ large for all

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of His Majesty's servants in 1933 to behold. Here it is, summarised for us by one of our great classical scholars⁸:—

"Augustus and the best and ablest of his successors patiently built up, for an Empire consisting in part of small town-territories with traditions of particularism and in part of wide spaces tenanted by tribes of many races and cultures, a framework within which men could, on the whole, work out their own salvation, could be drawn together in mutual understanding, and could acquire a wholly new patriotism, linked with the great traditions of Rome, and a new spirit of public service. This achievement was due to the practical genius of the Romans, who excelled in the adaptation of old means to new ends. But their very success dug the pitfall which entrapped them. They mistook the means for the end, and forgot (as the best of administrators are prone to do) that the State was made for man and not man for the State."

⁸ Sir H. Stuart Jones, "Legacy of Rome," p. 138.

Research

TROUBLE is the nurse of research. It is far more effective in winning converts, in industry and elsewhere, than years of preaching. The necessities of war were a forcing ground, and the results a signal lesson of the value of research. In medicine and, in less measure, in industry, research was systematically pursued before the war, and great things achieved. This country has been late, there are good reasons for it, in appreciating the equal need of research in public administration. If any new argument were needed, it is provided by the growing complication of modern problems of government.

Research is of three classes. First, the collection of facts and the drawing of surface conclusions from them. This can more appropriately be called investigation, as distinct from research proper. It is none the less useful. The danger is that surface conclusions may easily be misleading, and do not mine the ore underneath.

Secondly, there is research, practical research as it may be called, which is directed primarily to an immediate problem and to purposes of action. The facts are collected and analysed far more thoroughly than in an investigation and the results are likely to be of much greater value; but the work is essentially practical rather than fundamental.

Thirdly comes fundamental research which, while by no means ignoring experience, deals more with the elements of the problem, the kind of research which, in physics, has yielded so much light; and new obscurities, on the constitution of matter. In administration it is directed to the basic notions and conditions governing political activity (in its broad sense). Research of this kind is not necessarily, probably will not be, directed to any immediate practical purposes but may indirectly produce consequences far more sweeping.

There is need of the last kind of research in public administration, indeed vital need, for it is ultimately the most important of the three, and not least at the present time. The world in which we live is changing much more rapidly than any previous age. The ideas of men are more fluid, traditions too. Notions and aspirations almost taboo not so very long ago are now the common talk of the market place. New ideas cleave deeply into the fabric of society. What is

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taking place in so many countries in Europe, the revolution, for it is no less, taking place in the United States, with what permanence remains to be seen, are warning signals. If communities are to keep off the rocks, at any rate if they are not to run into multitudes of avoidable troubles—for fortunately complete shipwreck of a community is not so readily possible as some would have us believe—there is urgent need of more fundamental research, broadly and firmly based, so that they will be less driven by passing storms or attracted by misleading mirages. But real research, not the porridge of platitudes of which there is always danger.

This form of research, however, involves matters of policy as well as, and even more than, those of administration, though it has much bearing on administration. The purpose of the Institute, in the use of moneys which have been placed at its disposal by the generosity of the Spelman Fund, must primarily be practical research.

The object should be to collect and to examine thoroughly the great stores of fact and experience which lie to our hands in the practice and work of Public Authorities, central and local, and to extract from them the conclusions which they bear, conclusions which we can confidently hope will help materially to improve organisation and methods.

A list is given at the close of this paper of subjects already allocated for research, and of others for which arrangements are now in train.¹ It is intended that a "friend" shall be allotted to each researcher who will help him with advice and indicate possible sources of information, and to whom in the first instance he will submit the results of his labours. This friendly counsel should be very helpful, particularly in formulating conclusions.

In addition, it has been decided to give six prizes, each of ten guineas, for essays on subjects which are set out at the close of the article.² It is intended that the essays also shall be works of research. In judging them weight will be given to originality and thoroughness of thought. It is hoped that junior members, as well as senior, will make their contributions, for though youth may be weaker in experience it should be richer in freedom of thought and outlook.

The research should be severely based on facts and on considerations arising from them. The temptation towards platitudes and generalities should be resisted. On the other hand, the mere collection of facts, important as it is, must be only the preliminary; what is important are the lessons which they convey, and facts often do not wear their hearts on their sleeves. Indeed, there is a fund of truth in the saying that fact is an observation confirmed by theory. And

¹ Appendix A.
² Appendix B.

Research

in his search for the practical lessons of his facts, the sharp student will often catch glimpses of fundamental issues and, while he should not pursue them, for to do so would weaken, perhaps spoil, the main purpose of his labour, he should mention them, because they add interest to work and occasionally one or two may be seeds which may later be fruitful.

Most of the researchers will probably draw freely on their own experience of administration and this experience when systematically examined and checked will probably provide an unexpectedly rich store of information. But the research must be broad-based. The practice and experience of Departments and Authorities other than those of which the researcher has personal acquaintance must be drawn upon. Much information may be obtained from published material, including minutes and agenda. But these give only the dry bones; it is necessary to know the anatomy, but still more important to understand the physiology—how the work is actually done and the conditions and circumstances, and what in practice has helped and what has hindered, and the why and wherefore. This kind of information is best obtained by personal interview with experienced and reliable men, not only officials but also members of public bodies, in order to obtain both standpoints. In this the Institute may be able to help. It will probably not be found practicable to obtain detailed information for more than a comparatively few Departments and Authorities; these should be chosen so as to obtain a fair sample of different classes and kinds and with different practices. There is much variety of organisation and methods in the work of public bodies.

The research should be a strictly scientific study, as impartial as can be, and as free of preconceptions as can be achieved. "If you're not very careful," said a great man of science, "you will find what you are looking for." Research is not, or should not be, the finding of facts to support a pre-determined conclusion. The reasonably impartial mind comes only from cultivation.

The method of presentation is important. The writer should keep closely to questions of administration. Large issues of policy will arise at many turns, and sirens will beckon temptingly, but they must be resisted. It is not desirable that a public servant should enter on matters of political controversy. More than this, it is the business of the Institute to elucidate matters of administration; there is a very great deal to be done and it is only by sticking to our last that the best can be achieved. There is every reason to expect that, by working on these lines, valuable results can be achieved, valuable not only for officials in the work which they have to undertake but also for the public bodies whom they serve.

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APPENDIX A

Subjects allocated:—

1. Scope for initiative in the Civil Service, from the point of view of the junior officer; by Mr. T. E. Naughten.
2. The use by a Local Authority of Sinking Funds and Redemption Funds, Reserve Funds, and Superannuation Funds for its own Capital Purposes; by Mr. Eric Maxwell, Town Chamberlain, Kirkcaldy, and Mr. Ernest Long, Deputy City Treasurer, Coventry.
3. The Stabilisation of Rates; by Mr. E. J. D. Lloyd, Borough Treasurer, Wednesbury.
4. Internal Financial Control to ensure that the policies of the Council are observed; by Mr. A. H. Marshall, Borough Treasurer's Department, Stockport.
5. Use of voluntary agencies in Central and in Local Government; by Miss Ranken Hayes, M.A.
6. How far the results of administration are capable of being tested or measured (a) comparatively, (b) quantitatively; by Mr. F. W. Fox.
7. Organisation of Government Research; by Mr. F. R. Cowell, B.A., B.Sc.(Econ.).
8. Expected population changes in the next generation and their effect on public services; by Mr. Norman Wilson, B.A., D.P.A.

Subjects for which arrangements are being made:—

1. The scope for initiative in the Civil Service, from the point of view of the senior officer.
2. The Committee System in Local Administration.

APPENDIX B

ESSAYS

A PRIZE of ten guineas is offered for the best essay on each of the subjects stated below. The competition is limited to members, associate members and associates of the Institute. The right is reserved to withhold the prize if no essay of the required standard is submitted on any subject. More than one prize may be awarded for the same subject. The decision of the judges is final. The essay should run from 8,000 to 10,000 words, but longer essays are not barred. Essays will be judged chiefly on sound originality of thought based on the facts of experience and practice.

Essays should be submitted not later than the 31st July next, but longer time may be allowed on special request and the time may be generally extended by the Institute. Competitors may find it useful to notify the Institute of the subject which they propose to take, to prevent overcrowding in any one subject. The right is reserved not to award more than one prize to the same competitor. Each competitor should submit his essay under a *nom de plume*, and should state his name and address and his *nom de plume* in a separate sealed envelope. These should be sent to the Secretary, Institute of Public Administration, Palace Chambers, Bridge Street, London, S.W.1, the cover being marked "Spelman Essay."

The subjects of the essays are—

The use of statistics in public administration.

Dealing with official documents and records (registration, filing,

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appreciation and criticism of present methods and suggestions for improvements.

of voluntary agencies in government, central and local.
Control: Methods by which, in large organisations covering a wide field, decisions of the central executive authority may be effectively carried out, in spirit and in the letter, and with due co-ordination.

Training for junior members of the Civil Service.

Central organisation in the Local Government Service: separate departments are desirable, the functions of each, and how they should be organised.

The National System of Vocational Guidance

By F. N. TRIBE, C.B.E., M.A.

[Being an address given to the Institute of Public Administration, November, 1933]

"VOCATIONAL GUIDANCE" is a comparatively modern term, which is still to a large extent unfamiliar in this country. It means advice or guidance on choice of career or employment, and is usually, though not necessarily, given about the time when boys and girls or young persons are due to terminate their whole-time education and enter the larger world of industry or commerce. One hears and reads much about systems of vocational guidance in other countries, but the average citizen of this country knows very little about the system in operation here. Yet it is a system which intimately affects the young life of our country. Under it individual advice on choice of employment is given annually by qualified persons to over a quarter of a million boys and girls. A student from overseas, who had spent a year studying the methods of vocational guidance in different countries, told me not long ago that he had come to the conclusion that the British system was probably the best in the world.

The object of this address is to give some account of that system and of how it works. I shall deal primarily with questions of administration and shall assume an appreciation of the importance of the work. It must be obvious to anyone who gives the question a moment's thought that the misfit in industry or commerce is an individual tragedy; multiplied many times he represents a vast accumulation of wasted material and of potential unrest.

I shall deal primarily with the system in operation in England and Wales. There are minor variations in Scotland, but it is perhaps hardly necessary to describe these.

History

In the course of the address which Mr. Baldwin delivered to the Institute four weeks ago, he pointed out how our system of public administration had been dominated for centuries by our intense indi-

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vidualism, by our preference for the amateur as against the professional, the unpaid layman as against the salaried expert. Through the seventeenth and eighteenth centuries the typical administrator was the ordinary private person and not the trained specialist, and it was the revolution which brought machinery into production which also brought machinery into Government. This process of evolution, which is true of public administration generally, is particularly true of vocational guidance. The history of vocational guidance cannot be traced back like that of Poor Law to the days of good Queen Bess, nor can its administrators hold a centenary dinner as did the Factory Inspectors of the Home Office at a recent date. Vocational guidance has, in fact, only just attained its majority. Our grandfathers, and even our fathers, knew it not as a form of public administration. For centuries advice on choice of career has been given primarily by parents, aided sometimes by school teachers. The need for some more organised system did not arise until comparatively recent times, when the growing complexity of life and specialisation of industry led to a demand for informed advice which the average parent, and even the average school teacher, could not claim to give. Efforts were made to supply this need by voluntary organisations of one type or another, but towards the end of the first decade of the present century it became clear that official machinery was required to satisfy the need, and two different Acts of Parliament were passed enabling advice and assistance to be given by public bodies with regard to choice of employment. The Labour Exchanges Act of 1909 enabled special rules to be made with regard to registration of juvenile applicants. Such regulations were made early in 1910 and provided for the establishment of special Advisory Committees who should "take steps, either by themselves or in co-operation with other bodies or persons, to give information, advice and assistance to boys and girls and their parents with respect to the choice of employment and other matters bearing thereon." The Government Department responsible at that time was the Board of Trade, but this side of the Board's duties was transferred during the War to the newly-appointed Ministry of Labour. In 1910 there was passed the Choice of Employment Act, which enabled Local Education Authorities in England and Wales to "make arrangements, subject to the approval of the Board of Education, for giving to boys and girls under seventeen years of age assistance with respect to the choice of suitable employment by means of the collection and the communication of information and the furnishing of advice." This Act was subsequently embodied in the Consolidating Education Act of 1921, and the age was raised to eighteen.

These two Acts were passed within a few months of each other,

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but they were largely unrelated. In a manner typically British, provision was made to meet a practical need which had arisen, without much consideration being given to its theoretical implications. The two Acts represented two fundamentally different points of view, one that the young person as soon as he had left school became an industrial unit, and should be dealt with by the machinery of Government established for industrial purposes; the other that the young person, although he had left school, remained essentially in the realm of education up to the age of seventeen or eighteen, and, though he was in employment, the employment should be regarded as continuing the educational process. These two conceptions became linked, more or less fortuitously, the one with National Government and the other with Local Government. If, in this country, Labour Exchanges had been established as part of the Local Government machine, and education had been established as part of the National Government machine, the position might have been reversed.

It was obvious from the beginning that these two independent Acts of Parliament, each establishing machinery designed to achieve the same object but administered by different Government Departments, were bound to lead to friction. Efforts were made to secure co-operation, and as early as January, 1911, a joint memorandum on the subject of co-operation was issued by the President of the Board of Trade and the President of the Board of Education. Nevertheless, there was constant friction both nationally, between the two Government Departments, and locally, between the Education Authorities and the Employment Exchanges. Co-operating Officers were appointed, but in many areas there was all too little genuine co-operation.

The position was aggravated by the passing, in 1920, of the Unemployment Insurance Act, which extended very largely the scope of unemployment insurance and brought within the field of insurance all boys and girls over the age of sixteen who were not employed in agriculture or private domestic service.

The friction became in certain quarters so acute that in 1921 the Government of the day asked the late Lord Chelmsford to adjudicate on the position, and advise what steps should be taken to effect an improvement. He issued what may be regarded as the modern equivalent of the Judgment of Solomon. He said, shortly, that there should no longer be the dual organisation in any one area; if the Education Authority was so interested in its choice of employment activities that it was willing to make itself responsible also for the administration of unemployment insurance, then it should perform both duties. If, however, the Education Authority refused to undertake unemployment insurance administration, then it should not be

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enabled to undertake any responsibility in regard to advice on choice of employment. This principle was accepted by the Government and embodied in the Unemployment Insurance Act, 1923. Since then there has been no fundamental change, except that, in 1927, an Order in Council was passed transferring to the Ministry of Labour the central responsibility, both administrative and financial, for the work in all areas. Previously, Education Authorities had carried out their choice of employment activities under the supervision of the Board of Education, and their unemployment insurance activities under the supervision of the Ministry of Labour. Since 1927, however, the Ministry has been wholly responsible for both sides of the work.

The position at present is that rather more than one hundred Education Authorities in England and Wales exercise these powers. They include eight Counties and most of the large County Boroughs, apart from London, Sheffield, Bristol, Hull and Salford. Where the Authority performs these duties, the Education Committee normally appoints a sub-committee known as a Juvenile Employment Committee, which is responsible to the main committee for this side of the Authority's activities. The Committee establishes one or more offices, generally known as Juvenile Employment Bureaux, staffed by whole-time officers. In areas where the Education Authorities do not exercise these functions, the work is performed by the Ministry of Labour direct through its Employment Exchange machinery, and in most of these areas there are separate Juvenile departments in the Exchanges and the Minister appoints advisory committees, known as Juvenile Advisory Committees, to advise him on the administration of the scheme in their respective areas. There is thus a difference in the constitutional position of the two sets of committees. The Juvenile Employment Committee is a committee entrusted with executive functions and responsible to the locally elected council for the area; the Juvenile Advisory Committee, on the other hand, is an advisory body only, and is appointed by the Minister.

An attempt will be made later in this address to deal with the respective merits of the two different systems, but something should be said first about the methods of operation.

Methods of Operation

Although the constitutional position of the committees is different, their actual composition is much the same. They normally consist of representatives of the Local Education Authority, of employers, of workers, of teachers, and of other persons interested in problems of juvenile employment. They have four main functions, vocational guidance, placing, industrial supervision or after-care, and unemployment insurance. This address deals only with the first of these functions.

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The methods of operation differ in different areas according to local circumstances and needs, but in nearly all the areas some effort is made during the course of the last year at school to prepare the minds of the boys and girls for the important choice which they will have to make when leaving school. Talks are given in the schools on this subject; so far as possible arrangements are made for boys and girls to visit factories and thus see actual working conditions. In many areas pamphlets are issued describing different local industries, and sometimes arrangements are made to exhibit at the schools films and lantern slides depicting the conditions prevailing in different types of local employment. Frequently lectures are given in the schools by employers and other persons possessing first-hand knowledge of industrial conditions, and sometimes parents' meetings are also held.

In most areas the head teachers complete cards, known as school-leaving cards, giving a summary of each child's career at school, a note of special aptitudes or weaknesses, and an indication of the type of employment which the head teacher recommends. On this card is included a short medical report, based upon information supplied by the School Medical Officer, and generally indicating any special types of employment which should be avoided by the particular child. These cards are sent, before the end of the term in which the child is due to leave, to the Juvenile Employment Officer at the nearest Employment Exchange or Bureau. In a few areas also psychological tests are given to children before they leave school in order to discover special aptitudes or failings, and the results are similarly communicated to the Juvenile Employment Officer.

All these forms of preparation lead up to the great day when advice is actually given to the boy or girl about choice of employment. This advice is most frequently given at the school itself, when there is held what is known as a "School Conference." This Conference is not as alarming as its name might appear to imply. It is in reality an informal talk between the head teacher and the Juvenile Employment Officer on the one hand, and the child and his parents on the other. Sometimes other people are present, such as members of the Juvenile Advisory or After-Care Committee or representatives of the Education Authority to advise on continued education. The school teacher supplies information about the child's aptitudes; the parents are consulted as to their own wishes and ability to help; the Juvenile Employment Officer contributes information as to industrial conditions and openings; and lastly, and most important, the child's own views are ascertained. After an informal and friendly discussion, and in the light of all the information available from the different sources, advice is given as to the particular type of employment which

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the child should be advised to seek. In some districts for various reasons conferences are not held in the schools; but in these areas advice on choice of employment is frequently given at the Juvenile Department of the Employment Exchange or Bureau. The head teacher, in these circumstances, cannot normally be present, but use is made of the school-leaving cards which he has completed.

A rather special organisation has been set up in many areas for giving advice to boys and girls leaving secondary schools. In London committees have been established in co-operation with the Incorporated Associations of Headmasters and Headmistresses, and staff and premises are supplied by the Ministry of Labour. Here advice is given to boys and girls from the secondary schools in London and the surrounding areas. Somewhat similar committees have been set up in many provincial districts, though these do not have separate staff and premises. During recent years, a special series of pamphlets on careers open to secondary school boys and girls have been issued by the Ministry in conjunction with the two associations, and the demand for these pamphlets shows that they have met a long-felt need.

Comparison of the Two Systems

As has already been explained, the duty of providing a service of vocational guidance may be undertaken in England and Wales either by the Local Education Authority or by the Ministry of Labour, but in any one area the two systems cannot both exist. So far as is known, this is the only form of public administration in this country which can be, and is, performed both by national and local government, and it affords therefore an excellent opportunity for all students of public administration to examine the merits and demerits of each form of government. I shall try to set out shortly what appear to be the advantages and disadvantages of each system, and should like to make it quite clear that I have approached the subject as a student of public administration and without regard to any current controversies regarding the merits of national and local government in another sphere of administration.

Advantages of the Education Authority System

Where the Education Authority makes itself responsible for vocational guidance, it is able to a large extent to retain the educational associations which are so important. It finds it easy to maintain the closest touch with the schools and is readily able to obtain as much information as it desires from the teachers and School Medical Officers. Moreover, the Education Authority can correlate the advice given on choice of career and the advice given regarding continued

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education. It also obtains valuable information through its administration of the Street Trading Regulations. The Education Authority, too, is responsible for conducting courses of instruction for unemployed boys and girls, and, if the scheme for the development of these courses materialises as anticipated in the Unemployment Bill now before Parliament, it will be necessary to maintain close contact between these courses and the office where vocational guidance is given. The Education Authority is frequently able to arrange for its Juvenile Employment Bureau to be housed in a building with educational associations, often in the Education Office itself. Boys and girls attending this office are not, therefore, brought into immediate contact with the adult unemployed, and the educational atmosphere of the work can the more readily be maintained. There is thus not such a sudden transition from school to industry as in areas where the boy or girl immediately on leaving school is brought into touch with the Employment Exchange.

Education Authorities are on the whole freer in their choice of staff; they can appoint officers who are likely to remain engaged on the same work for a number of years, and have an opportunity in course of time of establishing themselves as the recognised experts in the area on all questions of juvenile employment and unemployment. Moreover, Education Authorities are freer to make experiments in the development of their vocational guidance service without Treasury control of every small item of expense. Thus one Authority at the present time is experimenting in the use of films, another in the use of lantern slides, and two in the application of psychology. While central government has its merits, it inevitably has certain disadvantages, such as rigidity, formality and centralisation, of which all students of public administration must be aware. Advances on an experimental basis are better undertaken on a small scale and in relation to the needs of some particular area.

Local Education Authorities are, moreover, more closely in touch with other branches of the Local Government service; through the elected members of the Education Committee they are able to make a more direct appeal for local co-operation and they can utilise the "strong local loyalties and attachments" to which Mr. Baldwin referred in his address to the Institute a month ago, and which he said "even to-day administrators in Whitehall are never allowed to forget." Even on the industrial side of the work, it has to be recognised that employment is largely a local problem, and a purely national system which ignores local conditions can never be satisfactory.

Lastly, in areas where the Education Authority is responsible for vocational guidance, it has an excellent means of developing the

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co-operation between education and industry, to which such importance has rightly been attached in recent years.

** Advantages of the Centralised System*

On the other hand, employment is not a purely local problem, and the Ministry of Labour is in a better position than any Local Authority to follow national trends of industry and to adapt the advice given accordingly. Local Government areas do not generally correspond to industrial areas, and to an increasing extent industries are growing up outside the boundaries of the large central County Boroughs. This leads to various difficulties unless the Local Education Authority is prepared to co-operate to the fullest extent with areas outside its own boundary. The Education Committee, being a locally elected body, naturally tends to have regard primarily to local interests, but while this is both reasonable and right, within limits, it tends to introduce a restrictive effect unless the Authority takes a broad view of its responsibilities in regard to the whole industrial area concerned, and even the whole country. Two examples may be given of the difficulties which arise in this connection.

In 1928 the Government having in mind the report of the Industrial Transference Board and being impressed with the inequalities in the employment position as between different parts of the country, introduced a scheme of transference, under which assistance was given to persons in the depressed mining areas, particularly in Wales and the North-East Coast, to transfer to employment in areas where the rate of unemployment was much lower and where the chances of progressive employment were, therefore, more favourable. The scheme was applied to both boys and girls, and several thousands were transferred from the Welsh Valleys and Durham Coalfields to employment in the Midlands and the South of England. Many Education Authorities, however, refused to co-operate in this scheme, although some of them were responsible for areas in which the rate of juvenile unemployment was very low. They took the view that, so long as there were any unemployed boys and girls in their area, they would not be justified in finding employment for any boys or girls from the mining districts. The result was that the great majority of the boys and girls who were transferred under the scheme came to areas in which the Ministry of Labour was directly responsible for administering the juvenile employment service, and the areas in which Education Authorities were responsible for the work did not take their share in a scheme which was generally accepted as being in the common national interest.

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The other example is in the sphere of employment for secondary school pupils. Many secondary schools, especially of the old grammar school type, are situated in comparatively small country towns, and many of the boys and girls leaving these schools must necessarily expect to get employment in the large County Boroughs. If, as sometimes happens, the Education Authority administering vocational guidance in these Boroughs takes the view that no boys or girls outside the area should be admitted until every boy and girl in the area has been found a job, it is clear that an improper and artificial limitation of opportunities is imposed on the product of the secondary schools situated in the country districts.

The giving of advice on choice of career demands an intimate acquaintance with industry. The Ministry of Labour gets this information in its ordinary day-to-day work through the Employment Exchanges, the Unemployment Insurance machine, the Trade Boards Inspectorate, and the other Departments of the Ministry. The Local Education Authority on the other hand is not naturally brought into day-to-day touch with industry, but has to develop contact with employers to obtain the information required in order to enable it to give sound advice on careers. Some Education Authorities succeed in this task, but it implies a definite effort on their part and some of them, not unnaturally, fail to maintain as complete knowledge as is required of up-to-date industrial conditions.

In regard to staff, the Ministry of Labour system has certain advantages. Recruitment is entirely by examination, and there is no tendency as there is with some of the smaller Education Authorities to appoint as Vocational Guidance Officers persons who are recommended, not so much on their own merits as for political or personal reasons or because they are redundant in other parts of the Local Authority's service. By a system of transfer between different areas, the Ministry is able to widen the experience of its staff, and by offering better avenues of promotion than are generally possible in the Local Government service it can hope to recruit a better qualified junior staff.

There are also certain advantages in a system which does not imply a definite break at the age of eighteen. Though Education Authorities who undertake responsibility for vocational guidance are generally ready to supply any information desired by the adult Exchange when a boy or girl reaches the age of eighteen, the Exchange in such areas comes into contact with the young person at that age for the first time, and has not had the advantage of personal acquaintance with his career during the early stages of his industrial life.

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Summary of Advantages and Disadvantages

In short, it may be said that the potential dangers in the Education Authority system are parochialism, patronage and lack of industrial contacts, and in the Ministry of Labour system centralisation and premature industrialisation. On the whole, the advantages and disadvantages of the two systems are fairly equally balanced. Some services, such as the Post Office, are obviously national in character; others, such as fire brigades, are obviously local. Vocational guidance may be said to occupy a position about half-way between the two. Each system has much to learn from the other. The Ministry of Labour already recognises the importance of local attachments and interests by the appointment of local Juvenile Advisory Committees, consisting of people of standing in the area. It should, however, develop the fullest possible contact with the local educational service, and should keep boys and girls segregated so far as possible from the adult unemployed. It might also be a good thing if the Ministry could do more to keep special staff employed on this work, for the work itself is of an increasingly specialist character. The Education Authorities on the other hand should overcome the tendency to parochialism and should take a broad and national view of their responsibility; they should appoint staff on individual merits only, and should pay special attention to the industrial aspect of the work.

As explained above, the dual organisation is unique in character, but, personally, I see no need to change its fundamental basis. If each system develops on the lines indicated, the service as a whole will derive enhanced efficiency, and we shall have in this country a great national system with local variations, acting as a close link between education and industry, utilising local loyalties and yet directed to a national purpose.

Developments

The national system of vocational guidance has now been in operation for a little more than twenty-one years, and the Minister of Labour has asked the two National Advisory Councils for Juvenile Employment to review the operation of the scheme and advise him whether any improvements can be made. For this purpose the two National Advisory Councils have appointed a joint sub-committee, and it would be wrong to attempt in any way to anticipate the findings of the Councils in this matter. I may, however, be permitted to give certain personal views as to the directions in which it seems likely that the system can be further developed in coming years.

In the first place there is little doubt that increasing recognition will have to be given to the scientific and specialist nature of the work.

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When the special rules under the Labour Exchanges Act were made in 1910, it was laid down that, whereas the Advisory Committees could give advice with regard to choice of employment, the Government Department responsible for the work and the officers in charge of a Labour Exchange should undertake no responsibility with regard to any advice or assistance so given. There has been a great change of opinion on this point since those rules were framed. The help of voluntary members of committees is welcomed if these members have themselves first-hand knowledge of industrial conditions and can give expert advice. In most areas, however, it has been found that the whole-time specialist has to take greater and greater responsibility for the advice given. Industrial conditions are becoming so complex and undergo such kaleidoscopic changes that no one, who is not in almost day-to-day touch with those conditions, is really qualified to advise on choice of employment. In other words, it has become the duty of experts rather than of amateurs. It is to be hoped that, before many years pass, some university will recognise the scientific and specialist character of this work and award a diploma, which those who seek to give advice on careers should be encouraged to take. It is not suggested that everyone whose duty it is to advise on careers should necessarily have passed through a university and taken a post-graduate course in vocational guidance; on the contrary, it seems desirable that facilities should be provided whereby officers already engaged in the work and those who wish to undertake it can acquire the theoretical background at the same time that they are putting their theory into day-to-day practice, and the diploma should be awarded to those who can show a combination of practical knowledge and theoretical study.

From many directions one hears of a movement to appoint careers masters in schools—a movement which has probably been accelerated in the last two years by the growing difficulty of securing suitable employment for boys and girls who have continued their education beyond the minimum age for leaving school. There is much of value that a careers master can do. He can follow a boy's career from the time he enters the school to the time he leaves it, having always in mind the question of what his ultimate choice of employment should be. The better the information which the schools can supply with regard to their pupils' aptitudes and abilities, the better chance there is of sound vocational guidance. On the other hand, there are very few careers masters who have the opportunity of keeping themselves so fully in touch with the changing conditions in the professions and industries as to enable them to be the sole advisers on ultimate choice of employment, and it appears desirable, therefore, that where careers masters are appointed they should work

The National System of Vocational Guidance

in close touch with the expert Juvenile Employment Officer, and collaborate with him in the final guidance on choice of employment.

Much thought is also being given at the present time to the application of industrial psychology to vocational guidance. Sometimes there appears to be a confusion between the two, and the suggestion is not infrequently made that if only a psychologist could conduct a sufficiently accurate examination of a pupil's aptitudes and abilities, intellectual, manual and physical, he would be able to give perfect advice on choice of career. This, however, is to ignore the industrial element which is essential, for it is useless to advise a boy to become, say, a ship's carpenter if there is no opening in that occupation and no chance of the boy ever being able to enter it. Psychology must always remain the servant of vocational guidance, but it may undoubtedly prove a very valuable servant, especially in cases where there are difficult traits in a boy's character which it is not easy for a layman to understand. Various experiments in the application of psychology to vocational guidance have been conducted in this country by the National Institute of Industrial Psychology and by the Industrial Health Research Board, and the results, so far published, appear to indicate that psychology may be a real aid in advice on choice of career. Fortunately in this country we have proceeded step by step, testing the results of the experiments as we have gone, and have not assumed, as seems to have been the case in some other countries, that the system is ideal and should be applied wherever possible. Various experiments are being conducted at the present time, and it is to be hoped that as a result of these it will be possible to ascertain more precisely to what extent psychological tests can be usefully introduced, and at what stage they should be applied.

There is also room for development in the medical aspect of vocational guidance. In this side of the work we seem to be behind some other countries. It is most important that the person who is to advise on choice of career should have access to full information about the pupil's medical record and an indication of the types of occupations which are specially to be preferred, or which should be definitely avoided. The closest contact should be established between the vocational guidance service and the school medical service and, if possible, arrangements should be made whereby boys and girls who have left school may be sent for further examination by the school doctor in cases of doubt or need. There are also other directions in which it appears likely that modern science may be harnessed to improve the vocational guidance service. There is room for development in the use of the cinematograph and, possibly, of lantern slides, while it may be hoped that much useful help will be given by the British Broadcasting Corporation in broadcasting talks by experts

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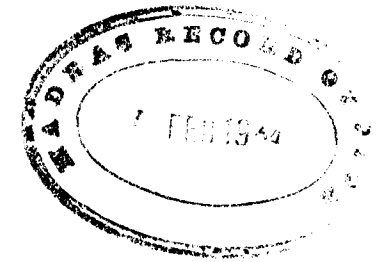
on careers and giving assistance both to vocational guidance officers and to parents and pupils.

At the present time the service is confined in the main to cities and towns of some size. There is probably no need to establish any elaborate organisation to give individual advice on choice of career to each boy or girl who leaves every little village school. On the other hand, it should be possible to establish some system whereby any boy or girl throughout the country, in however remote a part he or she may live, may have access, if need arises, to expert advice by an experienced vocational guidance officer.

Finally, it is to be hoped that a material improvement in the system of vocational guidance will be effected if the proposals of the Government, as contained in the Unemployment Bill now before Parliament for lowering the age of entry into unemployment insurance, become law. At the present time there is little contact between the officials of Exchanges and Bureaux and boys and girls after they have left school and until they reach the age of sixteen. Many councils, commissions and committees have drawn attention to the evil consequences of this hiatus; and the "bridging of the gap" will certainly ensure fuller contact between boys and girls and the experts who can advise them on matters of employment. It will also give those experts a fuller knowledge of the industrial conditions affecting boys and girls of this age.

Summary

These developments, however, although of considerable importance in themselves, will not materially alter the general structure of the British system of vocational guidance. In fundamental principles that system, as founded twenty-three years ago, appears to be on sound lines and adapted to the needs of our country, and we can proudly and confidently assert that the system is second to none throughout the world.



Winter Conference (London), 1934

THE Winter Conference organised by the Central Council of the Institute of Public Administration will be held in the Westminster City Hall, Charing Cross Road, London, W.C.2, on 27th and 28th January, 1934. The Chair will be taken by Sir Cyril Hurcomb, K.B.E., C.B., when the following papers will be discussed:—

(a) *Saturday Afternoon, 27th January.*

2.30 p.m. ROAD TRAFFIC LICENSING.

A. T. V. Robinson, C.B.E.

See page 34.

(b) *Sunday Morning, 28th January.*

10.30 a.m. *A DAY IN MY OFFICIAL LIFE.

H. Baldwin, Water Board Foreman Inspector.

H. F. Carlill, Assistant Secretary.

S. Cressy, Borough Treasurer.

Miss F. E. James, Higher Clerical Officer.

R. H. Jerman, Town Clerk.

T. R. Jones, Tax Officer.

* These papers will be delivered extemporarily and are not published in this issue.

Some Problems of Road Traffic Licensing

By A. T. V. ROBINSON, C.B.E.

[Paper to be discussed at the Winter Conference, London, January, 1934]

1. Few aspects of history are more interesting than that of transport from the first taming of the horse, the discovery of the wheel, the development through the centuries of the horse vehicle, the canal, the tramway and the railway, down to the revolution in our own days caused by the invention of the internal combustion engine.

2. The population of Great Britain is some 45 million persons, including infants in cradles and bed-ridden centenarians. On average, every one of these 45 millions made last year over 260 separate journeys, 35 by rail, 210 by public road conveyances and, at an extremely conservative estimate, a further 15 in other road vehicles.¹ Fifty years ago the total figure for London itself was below 50 a year.² No comparable statistics are available with regard to the transport of goods.

3. Of the 210 road journeys just mentioned, 90 journeys (over 4,000,000,000 in all) were made by tram or trolley vehicle and 120

¹ Total population of Great Britain (not including Northern Ireland), 44,790,485 (Census: Preliminary Report, 1931); total number of passenger journeys (including season ticket journeys) on all railways (including tube railways) in Great Britain, year ended 31st December, 1932, 1,557,003,648 (Railway Returns, 1932, p. 20); total passengers on tramcars and trolley vehicles, year 1932-33, 4,065,977,985 (Tramways and Light Railways Returns, 1932-33); total passenger journeys on public service vehicles with a seating capacity for eight or more passengers, year ended 31st December, 1932, 5,344,418,329 (Second Annual Reports of the Traffic Commissioners, 1932-33); mechanically-propelled vehicles, of classes not enumerated above, for which licences were current at any time during the quarter ended 30th September, 1932, 2,179,978 (Road Vehicles—Great Britain. No. 49A). For the present purpose it is assumed that one person made one journey each day in each of the last-named category of vehicles.

² Royal Commission on London Traffic, 1906. Vol. V, plate vi.

Some Problems of Road Traffic Licensing

(or nearly 5,500,000,000 in all) by coach or 'bus. Tramways and trolley systems have always been subject to the direct approval of Parliament; the 'bus and coach services fall within the sphere of licensing.

4. The licensing of "public service vehicles" (the technical name for the 'bus and coach) has recently been dealt with authoritatively from different angles in papers read before other bodies by the Permanent Secretary of the Ministry of Transport, by an experienced lawyer and by an operating manager respectively,³ and the Reports of the Traffic Commissioners⁴ and the pages of the specialist press⁵ afford an embarrassing store of material for the research student.

5. It is characteristic of our constitution that, until 1930, the 'bus and coach traffic in this country was, broadly speaking, governed by a statute of 1847, with a few relatively minor amendments and a mass of judicial decisions which appeared hard to reconcile. The Town Police Clauses Act, 1847, was indeed an omnibus Act; it dealt with such questions as shaking of mats and emptying of slops as well as with vehicles plying for hire in the streets.

6. Limited as were these powers in relation to vehicles, some local authorities and joint committees of local authorities used them well. Others did not: there were many applicants for licences who thought it essential to offer free passes to councillors, officials and their wives. It is to be observed that some councils failed altogether to exercise their powers or to pass the necessary adopting resolutions. Outside the towns there was practically no licensing control.

7. With almost negligible exceptions, the licence under the old régime was a licence in respect of a particular vehicle and not, in terms, in respect of a route, fare-table or time-table. In many cases, however, the licensing authorities (whether acting *ultra vires* or not), refused to license any particular vehicle unless the applicant were prepared to undertake to abide by various conditions as to the manner in which he would operate.

8. The rapid development of the motor 'bus and the increasing range of those vehicles made the system of 1847 less and less adequate to deal with the problem. The difficulties of the pre-war period were greatly aggravated by the increasing number of vehicles bought on the hire-purchase system or out of war gratuities. Cut-throat competition by successive bids and counterbids brought down fares in places to a farthing a mile, with a trail of bankruptcies. Nor were the weapons of 'bus warfare merely those of price-cutting; by the

³ Sir Cyril Hurcomb, in Proceedings of 32nd Annual Conference of Municipal Tramways and Transport Association, 1933; Mr. E. S. Herbert, in Journal of Institute of Transport, Vol. 14, pp. 65-86; Mr. O. C. Power, see below, para. 21.

⁴ 1932-1933: H.M. Stationery Office.

⁵ E.g., "Motor Transport," "Bus and Coach," "Commercial Motor," "Modern Transport."

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varied devices of "swinging," "chasing" and "blanketing" one operator would seek to squeeze out his rival's vehicles. In one industrial area in South Wales the police reported that the wild driving, to which these measures led, made the travelling public afraid to get on any 'bus; and a route near Glasgow well merited its local title of "the Jungle."

9. The public attention drawn in the House of Commons and elsewhere to this state of affairs led to the appointment of a Departmental Committee and a Royal Commission, upon whose recommendations were based the provisions of the Road Traffic Act, 1930. London itself has always required to be treated as a separate problem; outside London the Act took away from the county boroughs and other local authorities (some 1,300 in all) their former licensing powers, and instituted *ad hoc* authorities in each of the dozen traffic areas into which the rest of the country was divided. The Traffic Commission in each area has a whole-time Chairman; the other two members are selected by the Minister from two panels nominated by the county and urban authorities respectively. The reports of the Traffic Commissioners give some indications of the benefit of the varied experience of the several Chairmen, at the Bar, in the Army or Police, or in actual transport management.

10. It may be observed parenthetically that, in greater or less degree, each of the traffic areas outside London includes industrial towns, rural areas and pleasure resorts, but, for all that, there are undoubtedly problems special to particular areas. How far these special problems should be, or are, reflected in differences of administrative procedure is another matter. Some will hold that decentralisation is always expensive when questions of office machinery are involved; but it needs little experience of local government administration to realise the difficulty of imposing standardised procedure upon local government bodies, even if they be *ad hoc* bodies. Not till some super-Mussolini is in power in this Island shall we be able to test the economies which might flow from standardising in the local government sphere, doubtless at the same date as we see the introduction of decimal coinage, the metric system and the twenty-four-hour clock.

11. The task before the Traffic Commissioners may be realised when it is recalled that there are well over 45,000 vehicles in the hands of over 6,000 separate owners of whom over 43 per cent. are owner-drivers of a single vehicle.⁶

12. The Act provided for the control of operation of road pas-

⁶ In 1932, 2,726 operators owned one vehicle each; 3,425 owned 20,395 vehicles (from 2 to 99 each); 62 owned 18,503 vehicles (from 100 to 1,000 each), while one owned 4,641—a total of 6,214 operators and 46,265 vehicles. See Report of Traffic Commissioners, 1932-3, p. 4.

Some Problems of Road Traffic Licensing

senger services in three ways: by the requirement of licensing of drivers and conductors; by licensing of vehicles; and by the approval of road services, that is to say, routes, time-tables and fare-tables.

13. Licensing of drivers and conductors has come but little into the limelight. The decisions of the Commissioners have rarely been brought to appeal; in a few cases, local Benches have used their power to override the decision of the Commissioners and to grant a licence to a man suffering from serious physical disablement, but they have rarely, if at all, doubted the wisdom of the Commissioners' decisions in refusing licences to men with bad records.

14. The inspection of vehicles has, in two and a half years, wrought a marked change in the condition of the passenger-carrying vehicles throughout the country. While the vehicles of some of the larger operators were not always above criticism it was naturally with the smaller operators that there was the greater likelihood of inadequate maintenance. Steering and brakes are more frequently tested and the general standard of cleanliness has undoubtedly improved. In the first year or two of the Act, it was clearly necessary to "spoon feed" some of the smaller operators whose vehicles had never been subjected to any kind of inspection in the past, but it has been suggested that the inspection under the Road Traffic Act tended to encourage operators generally to shelter behind the examination of the Public Service Vehicle Examiners instead of developing on sound lines their own independent system of inspection. It is not easy to hit the happy medium between anxiety to ensure the safety of the travelling public and fixing upon the operator of a full sense of his own responsibility.

15. On the examination of a vehicle the examiner hands to the operator a written statement of the defects, if any, which must be remedied before the vehicle can be passed as satisfactory. Appeals against the decisions given in the Areas have been almost non-existent; over 46,000 vehicles have been examined, most of them a good many times, and less than a dozen appeals has the Minister had to determine. Of these some involved questions of principle, as to whether a particular type of equipment could be considered satisfactory from the safety standpoint.

16. There is a different tale of appeals, and of public criticism, when we come to the road service licences. These licences, which authorise operators to run along particular routes at specified times, and at specified fares, stand in a different category. Theoretically it would have been possible for these matters to have been dealt with in the Commissioners' offices; but Parliament doubtless had in mind the past history of the subject when it decided that every application

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for a road service licence must be heard by the Commissioners at a Public Sitting. The road service is not a tangible unit like the driver or the vehicle: five men may each have a road service from Thatton to Thisbury, or one man may have two services from Exborough to Wyetown, one an express and the other a stopping service. For what the figure is worth, there are some 40,000 separate road services to-day: and appeals against the Commissioners' decisions on road services averaged nearly 1,500 a year in the first two years. A third of these were appeals against refusals, another third appeals by competitors against grants of licences; and the remainder related mainly to conditions attached to licences.

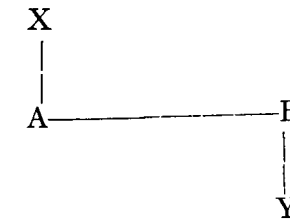
17. The Road Traffic Act received Royal Assent on 1st August, 1930, but it was clearly impossible to bring the whole licensing system of the Act into operation at once. A "Transitory Provisions Order" allowed any 'bus or coach owner running on 9th February, 1931, to continue services then in operation, pending the determination by the Commissioners of his application for a licence. Between those two dates there was a remarkable increase in the number of vehicles registered.

18. Especially with the smaller operator it was difficult to obtain firm evidence of the service actually running on the zero day of the 9th February, 1931. When an owner-driver came and went on the road at his own sweet will, there was little but his own word as to the "service" he was maintaining, albeit his competitors challenged his statements warmly when they departed too manifestly from any approximation to the truth. The Act made no provision for compensation to the operator whose services were taken off the road as being in excess of requirements; and the Commissioners in their reports clearly hint that for various reasons they felt bound in many cases to licence a larger number of services than the possible traffic justified. Even where there was no question of claim-jumping or of regard for the small man, it was no light task to assess the equities in many cases where years of uncontrolled competition had witnessed a rapid succession of moves and countermoves on the part of hard-hitting rivals.

19. Without entering into technical details it may be of interest to refer to a special type of operator, the self-styled "pioneers" who appeared in a hundred parts of the country just before the Act. The typical case is a stretch of a couple of miles from one industrial town, A, to another, B, along a densely trafficked road A—B already well served with 'buses. Assuming that these towns exercised licensing powers, a newcomer might have scant chance of obtaining a licence on that section. But off the main road, each

Some Problems of Road Traffic Licensing

distant half a mile or so, are two minor towns or villages, X and Y:—



In the guise of serving X and Y, some local man, lawfully or otherwise, started a new service over the whole route, being amply compensated for the unremunerative "spurs" by his pickings on the Tom Tiddler's ground of the main road, more often than not running a mere "cream skimming" service at peak hours and undercutting the other operators who served the route all day and every day.

20. Before the Act came into force the other operator might perhaps succeed in crushing the intruder by the device of "blanketing" to which reference has already been made. But when the Act came in force, however, the latter saw his chance and claimed a licence, urging (*ad nauseam*) that he was the "pioneer" of the service from X to Y. The established operators naturally asked the Commissioners to put him off the road, or at least to fix for him a minimum fare above the regular fare from A to B. Was it to be wondered at that the handful of passengers at X and Y who had enjoyed their door-to-door service at the expense of the regular operator on the main road were vocal in their protests when they were afraid that they were to lose "their own service"? The fact is that it is all but impossible to persuade the individual that it is against the public interest for him to enjoy the fruits of unfair and uneconomic competition, or to bring home to him that sweated wages and a succession of bankruptcies damage the whole community.

21. The Traffic Manager of the largest provincial road company⁷ has recently reviewed in trenchant terms the working of the Act. If he was not complimentary in his reference to the actions of some of the Chairmen at the outset, he conceded that the majority had fearlessly and conscientiously carried out their duties and acquired intimate knowledge of their Areas and general knowledge of traffic conditions. Their staffs, recruited from the Public Service, had quickly surprised the operator by their practical knowledge and by their suggestions as to his own business.

22. The Act had benefited the operator by eliminating the peak

⁷ Mr. O. C. Power before the Birmingham Section of the Institute of Transport, 7th November, 1933.

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period pirate; by dispensing with the wire-pulling necessary to obtain a licence under the old *régime*; and by establishing personal contact between operators and better inter-working of time-tables. The public had gained by the complete change effected in 2½ years in the comfort and cleanliness of vehicles, a higher standard of drivers and conductors, and a close adherence to published time-tables.

23. On the other hand stabilisation had been accompanied by a serious check upon enterprise and experiment in the matter of new or increased services, by too rigid an application of regulations irrespective of circumstances, and by "the fiendish delight in prosecuting displayed in certain quarters."

24. He emphasised the heavy cost, direct and indirect, to the industry of the new licensing procedure and criticised the "standard conditions" imposed, which restricted the reasonable flexibility of operation on the part of the law-abiding, but were disregarded with impunity by the less scrupulous. In terms reminiscent of a recent report upon the long delays in hospital out-patient departments, he deplored the appalling waste of time of operators and their advisers while waiting for their cases to come on at the Traffic Commissioners' Sittings.

25. Moreover, the public, unless they were the owners of private cars, were being deprived of their right of free choice whether they would travel by road or rail. While the Act gave the railways the right to appear before the Commissioners and to ask for restriction of road services, neither road operators nor the Commissioners could criticise effectively any fare-cutting action on the part of the railway companies themselves.

26. These are pregnant criticisms: and it may be that the complete reorganisation of the passenger road transport industry which has taken place during the last 2½ years has in some respects "cramped the style" of some operators in comparison with what might have happened, had there been no stabilisation and no attempt to co-ordinate the various forms of transport.

27. Are the restrictions necessarily imposed upon a monopoly, or quasi-monopoly, incompatible with the spirit of enterprise and adventure to be found in an unrestricted field of competition where many take risks and a few win prizes? Is it possible to avoid the minutiae of regulation, when those who would honour loyally any gentlemen's agreement must run alongside those who, given an inch, will always take an ell?

28. Many contend that the position created by the Act has fomented the policy of the larger companies of buying up their smaller competitors. The policy was in fact an active one before the Act and recently there have been signs of slowing down, partly because

Some Problems of Road Traffic Licensing

the smaller operator feels more assured of his position and may reasonably count on a continuation of his licence if he fulfils his duty as a public service operator. With the small owner-driver the public may run some risk of being left unserved when he or his vehicle breaks down: but low overhead charges may enable him to earn a living on some routes which would be unremunerative to a larger operator. Against the more ample resources of the large operator must be set off what the Salter Conference called the inevitable concomitant of the organisation of the larger unit, the considerable measure of uniformity and consequently of regulation. Suggestions or criticisms can be made by word of mouth to, and answered by, the owner-driver: only too often the letter addressed to the large company—as to a government department—is answered by some stock reply promising consideration. Due consideration may be, and doubtless usually is, given to such letters; but it is rare that the writer of the letter receives evidence that it has been. The maintenance of the human touch in the large unit is one of the major problems of public administration.

29. One of the problems yet to be settled relates to the "contract carriage." The Act differentiates between stage carriages (picking up and setting down along the route), express carriages (with a minimum fare of a shilling), and contract carriages (hired as a whole). The original conception had altered even before the Act reached the statute book. For reasons which cannot be compressed into a few sentences, there are to-day stage services running on fifty-mile routes and express services of practically a suburban character. More important in practice is the distinction between scheduled services (which the licensee must run according to his approved time- and fare-tables if he is to retain his licence), and non-scheduled services of an excursion character (which his licence imposes no obligation to run, although it may and usually does fix fares and may limit the number of journeys he may make). As to the third statutory class, the operation of the contract carriage is outwith the control of the Commissioners.

30. In the basic conception of the contract carriage there is no question of separate fares; but to meet cases such as that of the Mothers' Union outing, the Act extended this freedom from licensing control to the conveyance of a "private party on a special occasion," even though separate fares were paid. Few words in the Road Traffic Act have been more discussed than these. The average man may have a fair idea as to the meaning of a "private party" and a "special occasion," but judgments of the High Court have given in this connection a wide connotation to the term "private party" and a narrow connotation to that of "special occasion" and have

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produced a position of unexpected complexity. In whatever field we find a dividing line between "controlled" and "uncontrolled" some will endeavour to push that line back and enlarge the uncontrolled area; and contraventions of both letter and spirit of the Act in this respect have been numerous. No success has yet rewarded the efforts of those who have sought to find a form of words which will satisfy the various conflicting interests.

31. One word about appeals. An applicant for a licence, or an objector to his application, may appeal against the Commissioners' decision to the Minister. A number of appeals may all relate to one particular "condition of licence" and may be consolidated for purposes of hearing. The Commissioners "state a case" and their every word is weighed in the balance by the appellant and the other side at the Appeal Inquiry held by the Minister's nominee. As a rule the parties are legally represented, and in a major case, where thousands of pounds a year may be at stake, "silks" may be briefed on both sides. Since 1st October last, the actual report of the Minister's representative is published with the letter conveying the Minister's decision. If the Minister does not accept the recommendations of the report, his reasons are set out at length in the decision letter.

32. Out of the 46,000 public service vehicles in Great Britain, over one-tenth belonged to the London General Omnibus Company and associated interests and some further 1,000 operated mainly in what is now the Metropolitan Traffic Area. The late Sir Robert Donald, K.B.E., has dealt in the pages of the *Journal*⁸ at some length with the past history of the problem of London Transport and it is impossible here to retrace that ground, however briefly.

33. In 1933 the London Passenger Transport Act created a new public utility body with virtually monopoly powers of road operation on journeys the whole of which lay within the "Special Area," which extends approximately 60 miles from North to South and 40 miles from East to West. Within that Area the Board requires no road service licence, and it fixes its own fares and (subject to some qualifications) time-tables. There is a limited right of appeal on the part of Local Authorities to the Railway Rates Tribunal. As regards routes and stopping places the Board is still subject to the jurisdiction of the Metropolitan Traffic Commissioner, to whom, however, no other road operator has the right to make representations in this matter. Against the Traffic Commissioner's decision, a right of appeal is given only to the Board and to the Police.

34. It is to be noted that in the specially difficult area of the Metropolis questions of fares and time-tables have been wholly

⁸ Vol. IX, p. 377; Vol. X, p. 120.

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removed from the Ministerial sphere. Parliament has imposed on the Board a special responsibility for carrying out its duties in the public interest in the broadest sense; and it is to a Tribunal of a legal character (Railway Rates Tribunal) that any appeal lies in these matters.

35. How far the almost monopolistic Board will succeed in keeping in close touch with public demand and will exhibit a spirit of enterprise and experiment, it is yet too early to forecast. With a staff recruited from 20 diverse bodies, will it prove possible to avoid "departmental" policies and to work to the single aim of fitting aptest means to ends in the myriad movings of London's population? It is not possible within the ambit of the present discussion even to hint at many of the problems involved in the creation of the London Transport Board, but a passing reference must be made to the provision in the 1933 Act for joint meetings of the Board and of the London Traffic Advisory Committee (representative of local authority and other interests) and to the constitution of the Joint Committee of the Board and the Main Line Railway Companies designed to secure co-ordination of suburban services.

36. The Road and Rail Traffic Act, 1933, has only just reached the Statute Book. On the goods side, as on the passenger side, absence of control led, especially in the period after the War, to uneconomic and wasteful competition. There were, naturally, good carriers and bad. The bad waged an intense war of rate-cutting which they could only sustain by working their drivers excessive hours and scamping the maintenance of their vehicles. This had, naturally enough, serious repercussions upon the better class of operators, who have themselves testified emphatically to the need of some form of control. The problem is more generally known to the public under the guise of the Road and Rail controversy; and the arguments adduced by the railway companies, in the public press and elsewhere, are too well known to need repetition. The new Act, based broadly upon the recommendations of the Royal Commission's report of 1930 and the Salter Conference of 1932, introduces some form of registration of practically every carrier of goods upon the road.

37. The "C" or private carrier who is merely carrying his own goods, or is a laundryman collecting and delivering the washing, has to do nothing more than register in order to obtain a licence. There are, however, important conditions attached to his licence, as upon every other licence under the Act. He must maintain his vehicles in a fit and serviceable condition; he must not exceed speed limits nor over-load; he must observe the existing statutory provisions with regard to the time for which a driver may remain continuously on

Northern Winter Conference, 1934

THE Winter Conference organised by the Regional Groups of Birmingham, Edinburgh, Glasgow, Hull, Leeds, Liverpool, Manchester, Northern and Sheffield will be held at the Adelphi Hotel, Liverpool, on the 10th and 11th February, 1934. The Chair will be taken by Mr. E. W. Tame, when the following papers will be discussed:—

Saturday, 10th February.

PROBLEMS OF REGIONAL SURVEY.

Professor A. M. Carr-Saunders, M.A.

Mr. H. A. Mess, B.A., Ph.D.

See pages 47 and 53.

Sunday, 11th February.

*FEDERATION IN LOCAL GOVERNMENT.

Mr. E. W. Tame, Town Clerk, Birkenhead (Chairman,
Liverpool Group).

* Not published in this issue.

Problems of Regional Survey

By Professor A. M. CARR-SAUNDERS, M.A.

[*Paper to be discussed at the Northern Regional Groups' Conference,
Liverpool, February, 1934*]

MODERN surveys possess a lengthy genealogy. The library of a century ago, which may still be found intact in country houses, contains surveys of many kinds. Surveys of the antiquities of a country or of its social customs were especially popular. But the species of survey that is in view in this discussion is a late evolution within the genus. It would be interesting to look for the appearance of the first example of the new species. For our purpose, however, it is enough to remember that the impression made by Charles Booth's great survey of London fixed attention upon the new type, though it may not have been the first of its kind. To it we may attribute the spread of the modern habit of survey making all over the world. Since this is so, we may ask what it is that characterises the new form of survey.

In the first place its methods are scientific. Facts are collected, classified and analysed; and upon them generalisations are founded. So far as possible the facts are measured and represented statistically. While qualitative judgments are not ruled out, they are usually only made with some reserve, and are put forward as the sort of impression which the facts might be held by others to create. Moreover, qualitative judgments are as a rule only attempted, if attempted at all, when there is statistical basis upon which to found them.

Since I am concerned with the objects of modern surveys and not with the methods by which they are made, it may seem that when I refer to methods I am going outside my province. But this is not so, because the fact that the methods of the modern survey are scientific sets a limit to its objects. Those things that cannot be fully measured fall in part at least outside the list of objects that are proper to this particular species of survey. Religion may be taken as an example. It is a common practice when making a survey to collect figures of church membership and of church attendance. From these data certain generalisations are possible and legitimate. But in this way the place of religion in modern life is hardly touched. So too

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with leisure. Data can be obtained about the different ways in which leisure is spent, on gardening, cinemas, hiking and so on; but the evaluation of these forms of leisure-time occupation escapes those whose methods are scientific. This is a point of no little importance. It is most desirable that those who conduct these surveys should realise their limitations, and avoid the temptation to go further than their methods permit. There is need at the same time for a qualitative assessment of the facts of modern life. There is much to be said for the view that at the present time the scientific survey method is relatively fully employed and that what we lack most is an evaluation of our civilization. But this gap can only be filled by others with special aptitudes and special training. In other words it would be fatal to expect too much of the scientific survey method even when kept within its proper province, and it would also be fatal to neglect the development of its complement—the qualitative assessment.

In the second place the objects of the new type of survey are practical. It aims at assisting the progress of social reform. The desire for social reform was the mainspring of Charles Booth's life and work. How it came about that the urge to social reform began to manifest itself so strongly in the eighties and nineties of the last century is a long story. The point is that it did so, and the age having come under the dominance of science, the social situation was examined objectively in order that the bricks with which the social structure was to be rebuilt might be well and truly laid. This again is a matter of importance. In proportion as the urge to reform is keen, the temptation to be hasty is strong. Certain facts may receive attention to the exclusion of others. Burning zeal does not run easily in harness with scientific objectivity. It is not so much that there is danger of the falsification of facts as of their distortion due to the neglect of other facts that are intimately bound up with them.

From these preliminary observations I now pass to the main subject of my paper, which is to discuss what the objects are which are proper for a survey. In order to get close to this matter let us see what shapes are assumed by surveys. By far the most common type of survey is that which sets out to investigate a certain geographical area. The area may be that of a whole country. The most ambitious and extensive survey ever made is that set on foot under the guidance of President Hoover. A summary of the results have recently been published and are contained in two enormous tomes. Surveys on anything like this scale are of course the exception, though Charles Booth took the largest city in the world for his province. The commonest area is perhaps that of the town. A district including a number of towns, or a town and the adjacent countryside, may be taken; or again it may only be a ward that is under review.

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There are in addition two other kinds of survey, though they are perhaps a little difficult to distinguish one from the other. In the first case the object is to examine a problem that is not confined to one locality. The extent of the slums is an example. Having decided upon a definition of what constitutes a slum, the object is to discover the number and location of slum houses in the country. In the second case the object is to examine a matter which has no reference to locality, for instance the hours worked by juveniles in unregulated industries or the relation of the proportion of income spent in rent to size of family. In the latter case the survey is made by way of sampling; in the former case it involves a complete review of all the areas where the problem exists.

While it is of course possible to make surveys of the two last-mentioned kinds that serve no useful purpose, it is not likely that useless surveys of this kind will be set on foot. And the reason is that the object has to be clear at the outset, and it is easily apparent whether it is worth while to attempt to attain this object. People are not likely to spend money and energy in looking into a perfectly definite matter, the facts concerning which have no practical bearing. Moreover, the sort of information which is yielded by this kind of survey is that which is usually required before legislation can be proposed. Since all the more important legislation is national and not local, the basis of fact required as a preliminary to legislation is national and not local. And how often are we not told that no concrete legislative proposals can be drawn up to deal with what is admittedly an evil because the facts are not exactly known. Therefore the usefulness, and indeed the urgency, of surveys of these two kinds are evident enough.

It is otherwise when we come to local surveys. Only too often the object of a local survey is not clear in the minds of the promoters. In a vague kind of way it is known that there are evils which demand attention, and it is hoped that somehow something useful may come out of a survey. Local patriotism and good will make the raising of money and the provision of help possible, and the survey is set on foot. This is not to condemn the local survey; it is only to say that it is easily abused. Perhaps harm is seldom done, but there is misdirection of money and energy. Further, when surveys are made which are found to be of little or no value, the public estimation of surveys in general is lowered, and some damage is done to a mechanism which has an essential part to play in the reshaping of our society.

It follows that the object or objects of a local survey must be made clear at the outset. Local surveys may aim merely at giving the inhabitants a picture of their surroundings. The object here is to

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stimulate civic consciousness. It is said that men will not be good citizens of the wider world unless they are good citizens of their town, and that they will not be good citizens of their town unless they understand it. So the aim is to construct a picture—on the geographical background is placed the population divided by sex and age, and it is shown how they make a living, how they are educated, how they are amused. It would be difficult to over-estimate the value of this kind of survey. Every locality should be surveyed in this way. Moreover, it is a task demanding voluntary co-operative effort; it can only be properly accomplished if it is carried through by unofficial incentive. Research in the true sense is not demanded. No more is necessary than to assemble facts already known which, owing to their distribution in publications that are not easily accessible, are not before the notice of the public. But this does not mean that the task is easy. It means that it is not so much research ability that is required as ability to paint a picture, and this is perhaps a less common accomplishment than ability to research. Those making surveys of this kind, however, are often tempted to conduct some research, when their real task is merely to select the relevant facts out of the existing mass of material. Research thus entered upon has seldom any value because it has no clear purpose, and the only result is often to blur the picture.

Broadly speaking, there are two conditions under which there is a place for research in a local survey. The object may be by using local material to press a little further our knowledge of those problems to the solution of which non-local surveys are directed. This is another way of advancing the general study of social conditions, and is a valuable complement to the more direct and obvious method of attack. Thus it may be profitable to examine in a locality almost any problem such as that of the hours of labour of juveniles in the unregulated trades. But it will only be profitable if those who undertake the research are well read in the literature, know where the gaps in knowledge exist and set out to fill them. It is no use to prove for a locality what is known to be the case generally in the community. Therefore, research of this kind demands the employment of experts to an extent that is not the case when the object is merely to make a picture of a locality. In this way, the new London survey finds its justification. It is not designed merely as a picture of the social conditions of London; it is a great effort to promote knowledge of general social problems by concentration upon one locality.

The other condition when research in a local survey is justified is when local conditions are peculiar, that is to say when the situation is in some respect very definitely not an average sample of the social organisation of the country. There is one respect in which every

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locality is peculiar and that is in respect of its geography. That is the reason why town and country planning surveys, better called land utilisation surveys, are required for every district. Hence it is that no one questions the usefulness of these surveys, as they are sometimes inclined to doubt the value of local surveys which probe into details that are not significantly different from those obtaining elsewhere.

There are of course many other aspects of localities besides the geographical which may be peculiar and therefore deserving of research. Such, for instance, would be an abnormal racial constitution of the population; other examples readily come to mind and there is no need to make a long list. What is important is that the presence of abnormal conditions should be suspected or established before research in the true sense is undertaken in a local survey.

The question may be asked whether industrial problems form a proper subject for a local survey. The question is pertinent because the Government recently requested the Universities to make industrial surveys of the depressed areas. In this case we have an example of a lack of clarity about the object that is desirable. If the object was merely to paint pictures, then it was quite unnecessary to go into such detail. Moreover, in general, everyone was painfully aware of the position. If the object was to find out something that was not known which would make remedial action possible, then it was not made sufficiently clear to what the research was to be directed; and in fact no measures have been proposed as a result of these surveys. This makes it likely that the Government merely inspired the surveys with the vague hope that something might turn up. Since the labour involved in the making of the surveys was considerable, and since many busy people had to be troubled with questionnaires, the one clear result has been to make the public suspicious as to the value of this mode of procedure.

But even if the objects had been more clearly defined, would the results have been more satisfactory? The problem of the depressed areas is to find occupations for the unemployed; but it may be that the best or the only solution is for the unemployed to move elsewhere. The proper localisation of industry is a nation-wide problem. The matter demands consideration from the point of view of the country as a whole. We must ask what industries we can have and where they had best be. It is not enough to point out that certain localities have surplus population and available sites for industry. There may be better sites elsewhere, and to them the population should go. In any case to make local industrial surveys as a first step is not the right way to set about the problem. Local industrial surveys have only limited uses, and should follow and not precede a general investigation of the situation.

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To sum up what I have said, the modern type of survey is scientific, and we must neither expect from it what science cannot provide, nor neglect that other mode of approach which alone can enable us to judge our civilisation. But even if its limitations are understood, it may easily be abused, and abuse is most likely when social surveys are conducted. It is urgent that abuse of the method should be prevented since otherwise a useful piece of social mechanism may fall into disrepute.

Problems of Regional Survey

By HENRY A. MESS, B.A., Ph.D.

[Paper to be discussed at the Northern Regional Groups' Conference, Liverpool, February, 1934]

THE earlier social surveys were usually of single towns: London, York, Dundee, West Ham, Norwich. Professor Bowley broke new ground with "Livelihood and Poverty," a simultaneous study of four towns (Reading, Warrington, Northampton, and Stanley) in different parts of the country, bringing to light many similarities and many differences. Professor Geddes pressed upon our attention the interweaving of adjacent towns into a partly unified community, and coined to describe it the word "conurbation." "Industrial Tyne-side" appeared in 1928, a study of a group of thirteen adjacent towns, "distinct and in some ways diverse, but having much in common, and woven together inextricably in their destinies." The results of a social survey of Merseyside are now in the press. It is to be hoped that there will be other studies of groups of adjacent and related towns; one thinks, for instance, of the group of mining towns in Derbyshire, of Wellingborough and its neighbours in Northamptonshire, and of many clusters in Lancashire, in the West Riding of Yorkshire, and in the county of Durham, as being suitable for such treatment.

Material lies ready to hand for the maker of surveys in a multitude of official and unofficial reports, in which have been assembled with much labour, and at considerable cost, masses of figures, which for the most part do not become widely known and whose significance is often unperceived even by their compilers. So far as Government publications are concerned, their use has been much facilitated by the publication of the excellent annual "Guide to Current Official Statistics."

The second main source of information is the special inquiry directed to obtaining facts and figures which are not normally collected. The survey of Merseyside is an outstanding example of a special investigation on a large scale. The work is usually lightened nowadays by the adoption of the sampling method, a description and illustration of which is to be found in Bowley's "Livelihood and Poverty."

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Thirdly, there is the canvassing of individuals for facts and opinions, either by the issue of questionnaires or by personal letter or interview. Especially when it comes to interpretation of accumulated information, the interview is of great value. It is also useful to circulate fairly widely drafts of chapters of the report. Much light is often obtained thus on the significance of the facts and figures, additional illustrations are often given, and fruitful lines of further inquiry may be suggested. Moreover, the association of a large number of persons with the inquiry has for them an educative value.

Many social surveys are pictures of a town or towns in a particular year, and where they are based on special house-to-house investigations, that is inevitable. The expression "statistical photograph" has been applied to such surveys. They may be repeated at intervals. Sixteen years after his original inquiry Professor Bowley worked over his four towns a second time. Sir Hugh Llewellyn Smith and his collaborators have just covered again the ground of Charles Booth's pioneer survey. These repetitions give a valuable measure of the amount of change. They do not, however, trace the process of change as closely as can be done in a study based on those official and unofficial data which are collected regularly or at frequent intervals. There cannot be any certainty that the years in which the "statistical photograph" is taken are typical years, and there may have been fluctuations in the intermediate years of great importance for the understanding of the problems of the area. In many matters a study of trends is more illuminating than a study of the position at a given moment. In health statistics, for example, the figures for a single year are often of little value and may be misleading to the unwary.

Each kind of survey has its own merits and its own limitations. The special investigation gives a range of information not otherwise obtainable, but it cannot often be repeated. The information derived from those reports and statistics which are prepared regularly as a matter of routine is less detailed and has exasperating gaps; but it is possible to obtain from it a fairly continuous record of the life of the area, which by contrast we may call "cinematographic." The ideal may be to combine both kinds of information in a single survey, but considerations of time and expense do not often allow it.

Part of the case for regional surveys as against surveys of single towns is the economy of effort, which probably means also an economy of money. When the figures for a town are being extracted, more particularly from Government publications, the figures for adjacent towns can often be extracted with little additional labour. The kind of thought which has to be given to the problems of a town is the kind of thought which has to be given to the problems of its

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neighbours, and it is wasteful to have to do it again and independently. The survey of the thirteen towns on Tyneside involved a great deal less labour than thirteen separate surveys would have required. And the results were far more valuable. A regional survey brings to light common features; whole groups of towns are found to have certain characteristics. One group will be characterised by a high ratio of males to females, little industrial occupation of women, and a high birth-rate; another group of towns by the reverse of these features: contrast, for instance, the Durham mining villages and the Lancashire cotton towns. Housing standards vary from region to region; in one part of the country the three-roomed home is modal, and in another part of the country the five-roomed home; nor will the difference correspond necessarily to a different proportion of families of higher or lower social status. Contrast, for instance, Tyneside and Teesside, Northamptonshire and Staffordshire, County Durham and County Glamorganshire.

Still stronger is the case for surveying a conurbation as a whole. To do so is indeed not only advantageous but essential. It would be a false picture of Manchester which left out of account Salford; or of Liverpool which omitted Bootle and Wallasey; or of Newcastle without that great dormitory across the river, Gateshead.

One of the tasks of a regional survey will be to make more precise our idea of what the boundaries of the region are. In point of fact there will seldom be one clear-cut region; if different characteristics are taken as criteria there will be a number of different regions, overlapping but not coincident. There will also be found to be a number of subordinate regions. Thus, a casual study of the history, geography, and social statistics of Northumberland and Durham will convince any inquirer that these two counties form a region with some peculiar features not found elsewhere in England; but within the counties there are several distinct sub-regions. There are easily recognisable differences between Northumberland and Durham. And Northumberland alone contains at least three well-marked sections: the rural area, the coalfield, and the commercial and industrial (especially shipbuilding) towns along the Tyne and Blyth rivers.

The census figures with regard to industries and occupations will assist us in defining our region. So also will the vital statistics, both demographic and hygienic. Another useful set of figures is that referring to housing standards. Equally important, though not so palpable, are facts with regard to local customs. No one, so far as I know, has taken the trouble to map out carefully the areas over which such practices obtain as the baking of bread at home, the washing of clothes in a particular way, the prevalence of certain

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games, the keeping of certain holidays, and so on. It might be well worth doing. Finally, there is that very important but elusive thing, local character. Anyone who has moved about England feels the difference between the North and the South, between Lancashire and Yorkshire, between the Potteries and Tyneside. I shall not here attempt to set down what I feel to be the differences in outlook and temperament between typical inhabitants of these various areas, but they are a reality and a very important reality, and I do not think it should be impossible to get some useful analytic statement of them.

Perhaps the best single measure of degree of conurbation which we have had is that supplied by the Homes and Workplaces Table of the Census of 1921. A study of that makes clear, for instance, the extent to which Gosforth, Gateshead, and Whitley and Monkseaton are dormitory towns, mainly but not exclusively to Newcastle; it shows Wallsend and Hebburn to be the reverse of dormitory towns and dependent on their neighbours for workpeople; it shows also the relative independence of South Shields of its neighbours. A useful supplementary test of conurbation is to plot out on a map the homes of municipal officials and of the leading officials of the great industrial concerns. To do so is to realise that present local government boundaries often bear little relationship to industrial and social realities.

A fruitful method of seeking the explanation of any social phenomenon which may be observed, and one to which the regional survey lends itself, is to map it out in time and in space, to see over what area it prevails and how long it has prevailed. For instance, a glance at the census figures showed a high degree of overcrowding in the homes of Newcastle and of South Shields in 1921. Various explanations were offered locally. Some persons attributed it to geographical peculiarities such as the existence of a large Town Moor at Newcastle and the peninsular position of South Shields; others to recent political events such as the alleged deterrent effect of the Finance Act of 1909-10 on building, or the influx of munition workers into the district during the War. But when the facts were examined in the way suggested above, it was found that a degree of overcrowding high relatively to the rest of England could be traced back for over a century, and that it could be shown to exist in almost every town and village over an area of country stretching through Northumberland and Durham, both rural and urban, nearly down to the banks of the Tees. It was thus shown to be a regional characteristic of long standing. The hypotheses suggested above, and many others, could therefore be dismissed. We were forced back, therefore, on other hypotheses; and actually for reasons, which need not be detailed here, the conclusion was arrived at that the disturbed

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condition of the Border country during many centuries had been a major cause.

A regional social survey is of necessity to be conducted on a fairly big scale and it is not an enterprise to be embarked upon lightly. Its scope may, of course, be limited to a comparatively few features; it may, for instance, be a survey of educational facilities, or of hospital provision; and these partial surveys have a considerable value. A social survey is, I think, best directed by a single person. He will no doubt work with a committee and may be responsible to it; and, as suggested above, there is an educational advantage in associating a good many persons with the work. But it is best that one person should present the results of the survey as they appear to him. Views differing from his can be taken into account and recorded. The agreed document of a committee, or the volume of essays by different contributors, is less valuable than the report which has been unified by a single brain. It must be the brain, needless to say, of someone of sufficient detachment, who can weigh evidence and who will give welcome to facts which cut across pre-suppositions, and who has the gift of interpretation without which the mere accumulation of facts is of little value.

Notes

TRAINING OF THE POST OFFICE COUNTER STAFF.

By G. C. WICKINS

[*Paper read before the Educational Science Section of the British Association, 7th September, 1933*]

INTRODUCTION

THE Post Office counter staff referred to in this paper is composed of men and women who are established Civil Servants. They are employed in Head and Branch Post Offices, and they are in a class separate from the unestablished Post Office assistant employed in the Sub, or smaller Post Offices usually found in shops. The counter staff comes into direct contact with the public, and consequently the Post Office is judged to no inconsiderable extent by the efficiency and attitude of the counter clerk. The types of business which can be dealt with at the Post Office counter are numerous, and the necessity for systematic training to deal effectively with the work has been recognised. The method of recruitment, and the scheme of training selected for detailed description in this paper apply to the London Postal Service.

RECRUITMENT

Only a few vacancies for male Probationary Counter Clerks are available in London, the greater and increasing number of vacancies being for women.

The male Probationary Counter Clerks are Boy Messengers who take the top places in their general examination, for which they sit at 16 years of age. Boy Messengers come from elementary or central schools, and enter the service when 14 to 14½ years old, following a selection made at an examination and interview.

The female Probationary Counter Clerks are recruited in two ways (a) Open Competition (b) Limited Competition. The examination in both cases is the same, the age limits being 15-18. The "Open" candidates come from central and secondary schools, and Civil Service and Commercial Colleges. The "Limited" candidates enter the service as Girl Probationers at 14-15 years of age. They come

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from elementary or central schools, and are selected by means of an examination and interview.

Boy Messengers and Girl Probationers continue their studies at day continuation schools pending the passing of their respective examinations.

Modifications of the present method of recruitment are now under consideration as the result of a recent investigation by the National Institute of Industrial Psychology.

TRAINING

(a) General

The fundamental principles underlying the scheme of training are that it should be of a practical nature, and that the instruction should be so arranged as to develop the interest of the students in their own work, and to enable them to understand the relation which that work bears to other Post Office activities. The training school has therefore been designed so that Post Office counters of modern construction with all the necessary stores are available in each class room. Maps and framed specimens of the various documents in use are exhibited on the walls, and a bright colour scheme was chosen for the rooms in order to produce a good psychological effect upon the students. When a particular form or document is under discussion specimens are distributed to the students and retained. Pictorial representation of the work is constantly borne in mind.

In order to demonstrate the connection between counter work and the work of other sections of the Post Office, *e.g.*, the Money Order and Savings Bank Departments, and to secure co-operation, the students are taken to those sections to watch the work there. Opportunities are afforded to show that counter work incorrectly or inaccurately performed results in delay or inconvenience at other offices, and the lesson that accurate work is of prime importance is thereby visualised.

(b) Classes

Separate classes are arranged for male and female students and they are divided into:—

Junior Class for new entrants who are instructed in minor counter duties at the counter school, and in telegraphy at the telegraph school. The course at the counter school lasts 20 weeks half day. The number in a class does not exceed 10.

Senior Class for counter clerks who are working in Post Offices but are not yet qualified in the more important counter duties. This course lasts 2 weeks. The number in a class does not exceed 8.

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Supervising Class for counter clerks who are about to substitute on supervising duties. This course lasts one week. The number in a class does not exceed 6.

(c) *Instructors*

The instructors for the Junior and Senior Classes are senior counter clerks who have either grown up with the new system, or have been trained in that system, and who possess the power of imparting information. The woman supervisor in charge of the counter school instructs the Supervising class for women, and a male superintendent detached for school duties for the period of the class only instructs the Supervising class for men.

(d) *Junior Class*

PROBATIONARY COUNTER CLERKS

(i) *Syllabus*

The attached Standard Time Table—Appendix I—shows the subjects taught and the order in which the lectures are given. This order is based broadly on the principle that the work should progress from the generally simpler forms of Inland treatment to the more complicated Imperial and Foreign treatment. Rapid calculation of money and a knowledge of the countries in which places are situated are essential. Tots are consequently set each day, and a list of places in respect of which the countries are required to be known is handed out daily to the students for completion. Three lectures on General Postal Geography are included in the syllabus. The students attend at Post Office counters to watch the work which they have been taught at the counter school, and to link the counter work with the other relative Post Office activities, visits are arranged to Sorting Offices, Returned Letter Section, Telephone Exchange and Croydon Airport.

(ii) *Lectures*

Each lecture has been designed to occupy approximately one hour, and is followed by about 1½ hours practical work on the subject dealt with in the lecture. The notes from which the lectures are given serve as a guide to the instructor by indicating the points which should be explained to the students.

It is important that the Probationary Counter Clerks should have accurate notes. The art of note taking is difficult and time is not available to train young students in this work. For this reason a summary of each subject dealt with in the lecture is prepared. These summaries are dictated at intervals to the students after the instructor has explained the subjects, and the students thereby obtain

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an accurate and permanent record in their note books of the important features of the work. By this method of lecturing the instructor has an opportunity of explaining matters in an individual manner and thus making the lecture "alive," while being sure that the students have recorded an accurate summary of the subject covered by the lecture.

The students are instructed to write on the right-hand page of their note books and to leave the left-hand page for affixing specimens of the forms, &c., mentioned in the notes. These forms are distributed to the students by the instructor. The importance of reading their notes out of school hours is impressed on the students, and they take them to the Post Office counters for reference while undergoing training.

(iii) *Practical Work*

The practical side of the work is considered to be of vital importance, and an endeavour is made to reproduce as far as possible the conditions at Post Office counters. One student acts as counter clerk under supervision by the instructor while another acts as "member of the public." Each student comes to the counter in turn, and the whole class is consequently kept alert. Dummy letter packets, parcels, &c., are handed in, and the transaction completed in the same manner as for the actual article. Money is used, change is given, and sheets of stamps are available so that the students get accustomed to tearing stamps in the correct manner.

Question cards in respect of each article presented at the counter have been prepared by the instructors, the queries being based on experience with the public. These question cards are distributed to the class, and the students put the questions to the counter clerk. The instructor is able to correct the replies and to check the knowledge gained by the students. The students are continually being instructed in the best method of dealing with the public.

(iv) *Tests*

Written and practical tests are set after a group of work, usually dealt with in about five lectures, has been completed. The written tests are not memory tests, but tests in finding information accurately and quickly in books of reference. Facility in this class of work is essential to the counter clerk and these tests provide good training in this direction. The recapitulative practical tests are included so that the student should be reminded constantly of the earlier work. General written and practical tests are set at the end of the course.

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LONDON POSTAL SERVICE COUNTER SCHOOL STANDARD TIME TABLE. [Appendix I
Note.—Branch Post Office refers to the Post Office Counter at which the student watches the work which has been taught.

Week	Monday	Tuesday	Wednesday	Thursday	Friday
1st	Lecture 1 Introductory	Visit to Post Office Museum	Lecture 2 Post Office Guide, Rule Books, Post Office Circular	Lecture 3 Stamp Stocks and Cash	Lecture 4 Classes of Postal Matter (1)
2nd	Lecture 5 Classes of Postal Matter (2)	Written Test 1	Practical Test 1	Lecture 6 Inland Parcels (1)	Branch Post Office
3rd	Lecture 7 Inland Parcels (2) Cash on Delivery	Branch Post Office	Lecture 8 Inland Registration (1)	Branch Post Office	Lecture 9 Inland Registration (2)
4th	Branch Post Office	Lecture 10 Inland Registration (3)	Branch Post Office	Written Test 2	Practical Test 2
5th	Recapitulative Practical Test 1	Lecture 11 Express Services I and II	Lecture 12 Express Service III, IV and Railway Letters	Lecture 13 Inland Mails	Written Test 3
6th	Practical Test 3	Visit to Northern District Sorting Office	Recapitulative Practical Test 2	Visit to E.C. Sorting Office	Corrections to Post Office Guide
7th	Lecture 14 Inland Telegrams (1)	Visit to Inland Section Sorting Office	Lecture 15 Inland Telegrams (2)	Branch Post Office	Lecture 16 Inland Telegrams (3)
8th	Branch Post Office	Lecture 17 Inland Telegrams (4)	Branch Post Office	Lecture 18 Inland Telegrams (5)	Practical Telegraph Delivery (1)
9th	Practical Telegraph Delivery (2)	Lecture 19 Inland Telephones	Written Test 4	Visit to Telephone Exchange	Practical Test 4
10th	Recapitulative Practical Test (3)	General Inland Revision	Lecture 20 General Postal Geo- graphy (1)	Lecture 21 General Postal Geography (2)	Lecture 22 General Postal Geography (3)

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11th	Lecture 23 Imperial and Foreign Correspondence (1)	Lecture 24 Imperial and Foreign Correspondence (2)	Written Test 5	Practical Test 5	Recapitulative Practical Test 4
12th	Lecture 25 Imperial and Foreign Reg- istration and Insured Letters	Branch Post Office	Lecture 26 Imperial & Foreign Reg- istration & Insured Boxes	Branch Post Office	Lecture 27 Imperial and Foreign Parcels (1)
13th	Branch Post Office	Lecture 28 Imperial and Foreign Parcels (2)	Written Test 6	Practical Test 6	Recapitulative Practical Test 5
14th	Lecture 29 Imperial and Foreign Insured Parcels	Branch Post Office	Lecture 30 Imperial and Foreign Cash on Delivery Parcels	Branch Post Office	Lecture 31 Imperial & Foreign Free of Charge & Express Parcels
15th	Visit to Inland and Imperial and Foreign Parcels Sections	Practical Imperial and Foreign Parcels	Corrections to Post Office Guide	Visit to Returned Letter Section	Lecture 32 Imperial and Foreign Letter Mails
16th	Lecture 33 Air Mails	Practical Air Mails	Visit to Foreign Section Sorting Office	Written Test 7	Practical Test 7
17th	Recapitulative Practical Test 6	Visit to Croydon Airport	Lecture 34 Berne List for Imperial and Foreign Telegrams	Lecture 35 Imperial and Foreign Telegrams (1)	Lecture 36 Imperial and Foreign Telegrams (2)
18th	Branch Post Office	Lecture 37 Imperial and Foreign Telegrams (3)	Branch Post Office	Lecture 38 Radiotelegrams and Foreign Press	Lecture 39 International Telephones
19th	Written Test 8	Practical Test	Recapitulative Practical Test 7	General Written Test	General Written Test
20th	Branch Post Office	General Revision	General Practical Test	General Practical Test	Visit to Travelling Post Office Model

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(v) *Completion of Training*

After leaving the counter school the students are attached to Post Offices as near as possible to their own homes. At these offices they obtain practical counter knowledge and come in contact with the public. They are finally reported on as to their ability to perform minor counter duties by the Officer-in-Charge of the Post Office at which they work.

(e) *Senior Class*

In designing the syllabus for the senior students it was kept in mind that they already possess a good knowledge of counter work before coming to the school. It is explained to them in an introductory address that their co-operation in the training is required, and that every opportunity should be taken of discussing with the instructor any difficult points or suggestions. The system of dictated notes adopted for the junior students was replaced by a précis of each lecture. The references to the Rule Books, Post Office Guide, &c., for each subject in the lecture are shown in one column, and a space for making notes is available in the adjacent column. By means of the précis essential details in a summarised form are available for retention by the students and they have opportunities of adding their own notes during the lectures.

The students visit the Money Order and Savings Bank Departments so that they may realise the connection between their counter work and the work of these Departments. Recapitulative tests are set at the end of each week's work. The students are tested and passed as qualified in the senior work by the Officer-in-Charge of the Post Office to which they are attached.

(f) *Supervising Class*

The main features of this course are lectures by Heads of Departments on general questions of supervision, and the duties of supervising officers. The methods of controlling staff, and the arrangements for ensuring that the Post Offices are kept in good order are discussed. The general organisation of the Post Office Administration with particular reference to the Post Office Counter work is explained, together with the methods by which instructions and information are conveyed to the staff.

Supervising Officers in Branch Post Offices are responsible for the accounts. Details of the accounts are therefore worked out practically by the students, as they are due to act on supervising duties, and in order that they should understand certain procedure laid down at Headquarters they visit the Accounting Section concerned.

The opportunities for discussion on general policy and organisation as a result of this course are proving of great value.

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" PRACTICAL PSYCHOLOGY " IN DEPARTMENTAL ORGANISATION.

By H. TOWNSHEND

OF late years, increasing attention has been devoted in this country to the art of organising satisfactory relations between large institutions, such as Public Departments, and the public; satisfactory attitudes, that is to say, towards individuals outside the Department on the part of the officials within it who come into contact with them, and *vice versa*. The belief is gaining ground that these attitudes can be and should be consciously influenced for good by the Administration, if it applies itself to the problem in a scientific spirit—as it is in the habit of applying itself to its other problems, instead of leaving the friction naturally generated at the points of contact to be aggravated by the gall of old custom and arbitrarily irritated by casual prejudice. The principles to be followed may be called practical psychology¹ or organised common-sense, or, in the American tongue now becoming acclimatised in this country, " Salesmanship."

The movement began in commerce, as soon as it was realised that the metamorphosis of the small shop, managed by its owner, into the multiple store served by salaried assistants organised under departmental managers in a hierarchy, was depriving the business, as a seller of goods, of an essential element of efficiency, known to its customers as " the personal touch." The movement spread, *via* Public Utility Authorities, which sell services, to Government Departments, which interpret policy, approved by the public as a whole through its elected representatives, to its individual members—or, in the American metaphor, " sell " ideas.

The subject of " Salesmanship " in its application to Public Authorities is at present engaging the attention of the Institute of Public Administration, and was discussed at the last Summer Conference. Nevertheless, and in spite of the fact that large administrative institutions—at least, military and ecclesiastical ones²—are much older than " big business " in any form (multiple shops or business

¹ See a suggestive article by Mr. H. F. Carlill, entitled " Administrative Habits of Mind," in PUBLIC ADMINISTRATION, Vol. VIII, pp. 119 *et seq.*, on which this paper is based.

² Both analogies were drawn years ago by the late Professor Graham Wallas. At this date, most Civil Servants of 20 years' standing can verify the military analogy from their experience. The steps which a Commanding Officer must take to ensure the good discipline and morale essential for efficiency in " action " are well recognised by every military authority; and officers of the fighting Services are specially trained from youth in order to habituate them to taking those steps. The following facts establish the prescience of Graham Wallas in suggesting so long ago the ecclesiastical analogy. A recent course of Salesmanship (1932-33) conducted by a firm of consultants in this country for a large utility organisation, to train its canvassing salesmen, includes several sets of forms for " self-examination "; the forms consist of lists of questions of the type " Am I free from —?" " Do I consciously develop —?" " Have I —?" (certain personal qualities); the salesmen taking the course are enjoined to refrain from " snap judgments " on these questions; they are to " come back at intervals " to the self-examination forms, and " only to be satisfied if they can give themselves progressively more satisfactory answers."

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amalgamations or combines), but little thought seems as yet to have been given by Civil Public Authorities to the administrative problem of what may perhaps be called internal "salesmanship."

To the administration of a big department, the staff of the department themselves constitute a kind of inner "public," the right orientation of whose attitudes to each other in their mutual official contacts, in the inevitable absence of the direct personal touch which secures it in a small organisation, would seem *prima facie* to call for just the same kind of attention, the same "practical psychology" or "salesmanship," as their attitude to members of the outside public. But does it get it?

Consider, for example, the machinery for preparing official instructions to the staff. (This is surely an example of some importance, since the efficiency of executive action in a big department, however organised, must in the long run depend to a considerable extent on the adequacy to effect their object of the Departmental Instructions to the staff.) Do not official instructions tend to be drafted too rationalistically? Is not the draftsman's attention often concentrated too exclusively on framing a logical statement setting accurately and comprehensively what *ought* to be done? This attitude will indeed produce a document well adapted to escape criticism by a conscientious superior officer with the same rationalistic bias; and no doubt, given the typical "office" environment, necessarily a little remote from actuality, it is natural that the drafts which are "fittest" in this particular respect should survive to maturity in the Departmental Rule-books and so ultimately reproduce their kind.

But, after all, the primary object of an instruction is not to be admired by critical specialists in the same office; an instruction is intended to be acted on, and that by people who are as a rule neither critical, nor specialists, nor in the same office—in other words, to produce such an impression on the *ultimate* recipient that on receiving it, he *will* forthwith proceed to do what is required of him. Now the production of the right impression on anyone is a problem of "practical psychology" or "salesmanship." What the draftsman ought to ask himself is, *not* "Will my Chief be able to produce from his experience or ingenuity some awkward combination of possible circumstances which I have not foreseen and catered for logically in this instruction?" but "What do we want Mr. Z." (an average recipient) "to do when he gets this? and, being what he is, will he be likely, after reading what I have written, to do it?"

This should not really call for very "high-level" "salesmanship." There is no "sales resistance" to be overcome; to paraphrase Mr. Carlill, *loc. cit.*, the recipient will not, before he decides what to do, balance the marginal disutility to him of the effort called for by the instruction against that of the probable penalty of disre-

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garding it. On the contrary, unless the Department has been singularly unfortunate in its methods of recruitment and training, he will in most cases be both willing and anxious to do what is required of him, and prepared and habituated to make some effort to understand what that is. In such circumstances the "sale" is at least half made before the "salesman's" efforts begin. But, nevertheless, it will not be satisfactorily completed if no conscious "sales" effort is made at all. Is it always made?

One "sales" qualification is, moreover, essential, namely, contact with the prospect; the draftsman must have *met* the (average) prospective recipient of his instruction, and must understand his "mentality" and his attitude to his work. Is this always the case? and if not, how can it be secured? Here we have what is essentially a problem of executive organisation, to which as yet little attention seems to have been given.

A passage from Mr. Carlill's paper cited above, relating to official letters to the *public*, seems to apply equally well, with the two words changed, to *instructions* to the *staff*. ". . . the Civil Service is so bad at explaining what it is about . . . We want a little more practical psychology; we want the habit of putting ourselves in the other man's place. We do not remember (what I suppose a politician or a business man never forgets) that we are dealing with human beings . . . The best of us will tend at times to regard a letter (*instruction*) as a work of art and not as a means of conveying something to somebody's mind . . . it needs a certain effort to realise that what is familiar—indeed, transparently clear—to ourselves is very often quite obscure to a member of the public (*staff*) . . . and yet it ought not to be so difficult."

Why does it seem in practice to present an almost insuperable difficulty? Surely, because our organisation has not been designed to meet the situation. Yet experimental efforts must have been made in various departments to adapt their organisation in this particular respect (all departments have a long and wide experience of the production and effectiveness of official instructions). Would it not be worth while to collate and analyse the available material, and to publish the results, so that we could all try to copy, *mutatis mutandis*, the expedients which other departments than our own have found successful in practice?

Similar considerations apply to the problem of circulating to the staff of a big department "background" information, that is to say, current knowledge about what is happening within the organisation but outside the sphere covered by the individual's direct instructions—the internal problem of which the analogue in outside "salesmanship" is known as "publicity." To meet this need, many administrative organisations have, for example, staff journals, of various

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types. Here, again, the collation and exchange of information based on practical experience should be useful.

Another aspect of the same practical problem can perhaps best be indicated here by a quotation from a modern French novel, "*Marée fraîche*," by Pierre Hamp. The (literal) translation and the italics are the present writer's. The author was at one time a station-master, that is to say, an official in a very large organisation. The scene is the railway goods-yard of a fishing-port; a train has to be made up in a hurry to take a heavy consignment of fresh fish to Paris, for the early market. The station-master has ordered 30 trucks, but the shunters have got into difficulties, and after furious efforts, the train starts late. The station-master is on the spot, and as the train is signalled out, he speaks sharply to the foreman of the goods-yard—"disciplines him with a dry discourse."

"All the same, he was a fine fellow, this foreman. He had been shunting trucks for fifteen years.

"This practical experience ill fitted him to meet the inexperimental criticism of an office man (*critique in expérimentale d'un homme de bureau*), to whom all things are represented by figures on a piece of paper. The habit of seeing nothing of realities but their image in figures (*figuration*), their statistics, makes the theoretician lose hold of the notion of the indocility of matter. He exacts the doing of things in measure with thoughts (*choses faites à mesure que pensées*), his orders carried out as quickly as they are given, without appreciating the difference between moving one's tongue to say '30 trucks' and moving the 30 trucks, tare ten tons, total, 300,000 kilogrammes

"The axles turned quietly. Climbing up on to a footboard, the station-master releases the foreman with a final menace: '*I will send you a Memo.*'

"For, in his mind, the end of things was not in matter but on paper, and all reality had to lead up finally to a written explanation for filing in the Registry (*les archives*).

"The foreman, disgusted at the idea of receiving the detailed Minute (*minutieux rapport*) ending with the formula 'Be good enough to furnish your explanation' ('*Veuillez me fournir des explications*'), goes off, his soul full of maledictions.

"I wore myself out trying. I failed. I have told him why three times. Now I have to tell him again in writing. *Quel métier!*"

The formula "Be good enough to furnish your explanation." That is quite a literal translation—and yet, one seems to have seen that "formula" before. One's mind goes back to Mr. Carlill's "practical psychology." One wonders whether it is only towards the public that we need to cultivate "the habit of putting ourselves in the other man's place." Can it be that psychology, like charity,

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begins at home? These things are all rather vague, perhaps, not easily handled, or satisfying to our minds, trained as we are, and rightly so, to base conclusions on accounts and statistics, "the figuration of reality." Practical psychology, it will be argued, is not really science. But yet, surely, it is more than mere rhetoric. It seems, somehow, to give scope for constructive thought. Perhaps it may be worth while, even for busy people, immersed in the problems of a scientific profession, administration, to make time to give it that thought. If so, cannot the Institute of Public Administration give us a lead?

RECENT LEGAL DECISIONS AFFECTING PUBLIC ADMINISTRATION

By F. A. ENEVER, M.A., LL.D.

SYNOPSIS

Rateable assessment of electricity undertakings; Right of inspection of Local Authorities' books; Liability for bite from dog of Local Authority's employee; Superannuation scheme.

Rateable Assessment of Electricity Undertakings

The lengthy litigation which has arisen out of the question as to the basis applicable for the assessment of rates on the undertaking of one of the large London electric lighting companies has terminated in a decision of the House of Lords dismissing the Company's appeal from the judgment of the Court of Appeal in *St. James' and Pall Mall Electric Light Company Ltd. v. City of Westminster Assessment Committee* (11 PUBLIC ADMINISTRATION, 107) allowing the appeal of the Assessment Committee from the judgment of the Divisional Court.

Lord Atkin, in the course of his judgment (in which the other noble and learned Lords concurred), stated that according to the Metropolitan Valuation Act the problem was what annual rent might the Company reasonably be expected, taking one year with another, to pay for the hereditaments if the tenant undertook to pay rates and taxes and the landlord undertook to bear the cost of repairs and insurance. It was obvious that when that formula had to be applied to occupiers who carried on such undertakings as mines, docks and harbours, sewage and drainage works, railways, water, gas and electric lighting works, it was inept. The Legislature having refrained from giving any assistance in the matter, the rights and obligations of occupiers and rating authorities over an important field of rating were determined by rules of law which were entirely based on judicial decisions adopting or modifying the suggestions of rating surveyors and accountants.

The most usual method adopted for determining what rent a hypothetical tenant might reasonably be expected to pay to a hypothetical landlord in the imaginary circumstances premised in the Act was the so-called "profits basis" which, by an interesting development of judicial decision, was now held to be the system which ought to be adopted in the absence of special circumstances. That system was founded on an inquiry as to how much the tenant would pay for the privilege of occupying the premises and making what he could out of the undertaking he carried on there, which, roughly speaking, was that the gross receipts of the undertaker were taken for the year of calculation, from which were deducted the expenses of earning those receipts. From the residue a tenant's share was deducted, a hypothetical sum which represented what the tenant might reasonably be satisfied with for his "profits," which would include interest on capital remuneration for his industry and compensation for risk. The residue would be the landlord's share or rent. The hypothetical fund which was assumed to be divided was not calculated so as to represent the profits of the undertaking.

In considering the application of that system to the present case, His Lordship stated that in 1925 the Electricity Commissioners were proposing to set up a Joint Electricity Authority for London and the Home Counties and an agreement was made between the London County Council and the Electric Light Companies under which the Joint Authority took the place of the London County Council as the ultimate purchaser. The purchase was postponed to 1971. Instead of the new authority paying in 1971 the value of the physical assets existing in 1925, they were to have them transferred free of charge. As to assets which came into existence after 1925 they were to pay the difference between cost and the amount of a sinking fund to meet the cost, which was one of the

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funds in respect of which the present question arose. To prevent the undertakers from suffering unfair loss by the proposed transfer, they were to be entitled to include in their charges to consumers for current an amount which would enable them to create a sinking fund which in 1971 would be the equivalent of the value of the 1925 assets. That fund in 1971 would remain the property of the undertakers. Similarly, for assets acquired after 1925 a similar fund was to be created, though in respect of such assets it was obvious that in 1971 the fund might not amount to the entire cost.

In his Lordship's opinion the Court of Appeal was right in concluding that the amounts provided yearly for the provision of the two sinking funds should not be deducted before the ascertainment of the hypothetical sum to be divided between the tenant and the landlord. The sums in question had nothing to do with the expenses of earning the gross receipts or with repairs, but related to the application of the balance by the undertakers either as hypothetical tenant or as hypothetical landlord. They were irrelevant to the question of the calculation of rent on the "profits basis" or indeed on any basis. (*The Times*, 10th November, 1933.)

Right of Inspection of Local Authorities' Books

In *Rex v. Bedwelty Urban District Council (ex parte Price)* the Court was called upon to decide whether Mr. Phillips, an accountant acting on behalf of certain ratepayers, was entitled to inspect the Council's accounts, account books, vouchers and other documents for the year to the end of March, 1933, the Court being asked to make absolute a peremptory rule nisi calling on the Council to show cause why a writ of *mandamus* should not issue commanding the Council to permit such inspection.

Section 247 of the Public Health Act, 1875, which was relied on in support of the rule, provides as follows:—Where an urban authority are not the council of a borough the following regulations with respect to audit shall be observed (namely):—

(1) The accounts of the receipts and expenditure under this Act of such authority shall be audited and examined once in every year, as soon as can be after the 25th day of March, by the auditor of accounts relating to the relief of the poor . . .

(3) Before each audit such authority shall, after receiving from the auditor the requisite appointment, give at least 14 days' notice of the time and place at which the same will be made, and of the deposit of accounts required by this section, by advertisement in some one or more of the local newspapers circulated in the district. . . .

(4) A copy of the accounts duly made up and balanced, together with all rate books, account books, deeds, contracts, accounts, vouchers and receipts mentioned or referred to in such accounts, shall be deposited in the office of such authority, and be open during office hours thereat, to the inspection of all persons interested for seven clear days before the audit, and all such persons shall be at liberty to take copies of or extracts from the same, without fee or reward; and any officer of such authority duly appointed in that behalf . . . refusing to allow inspection thereof, shall be liable to a penalty not exceeding five pounds.

(6) Any ratepayer or owner of property in the district may be present at the audit, and may make any objection to such accounts before the auditor; and such ratepayers and owners shall have the same right of appeal against allowances by an auditor as they have by law against disallowances.

Mr. Justice Avory, in giving judgment in favour of the rule being made absolute, held that Mr. Price, one of the ratepayers for whom Mr. Phillips acted, was a "person interested" and was entitled to inspect by an agent. Although the books and accounts had been produced to Mr. Price and the other ratepayers, yet owing to their complicated nature and the technical manner in which the accounts were kept, no one who was not a fairly expert accountant could effectively inspect them. He did not think that the fact the later Rating and Valuation Act, 1925, gave an express authority to the ratepayer to employ an agent was any sufficient ground for holding that the right to inspect given in 1875 was a personal right only.

As regards the contention that was put forward on behalf of the Council that *mandamus* ought not to be granted because there was another remedy provided by Section 247 (4) of the Statute—namely, that any officer refusing to produce the books was liable to a fine of £5—His Lordship could not think that a proceeding of that kind for a penalty against the clerk or accountant would be an "equally appropriate and convenient" remedy, because, even if it resulted in the full fine being imposed, it would not follow that the ratepayer would be any nearer the information which he desired, or that the inspection would be allowed.

Charles and Lawrence JJ. also gave judgments in favour of the rule being made absolute. (*The Times*, 8th November, 1933.)

Liability for Bite from Dog of Local Authority's Employee

In *Knott v. London County Council*, the question was whether an employee of the Council was entitled to recover damages from the Council for injuries received through

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having been bitten by a dog belonging to Mr. Frankland, another employee of the Council in the capacity of school-keeper at one of the Council's schools. In the County Court and on appeal to the Divisional Court it was held that as both the owner of the dog and the plaintiff were servants of the Council the doctrine of common employment applied and that therefore the plaintiff's action failed. The doctrine of common employment is a rule of the common law under which a servant impliedly undertakes the risks incident to his employment, including the risk of harm arising from the carelessness of fellow servants employed by the same employer.

This decision was not referred to in these Notes as it involved a purely common law doctrine of no special interest in connection with Public Administration.

The matter has since come before the Court of Appeal, and, inasmuch as the decision then given was on grounds of more particular interest to Local Authorities, it is considered desirable to refer to it in these Notes.

The facts were that the dog was owned by and under the control of Mr. Frankland, the school-keeper, who lived on the school premises and was forbidden by the rules governing his employment to keep any domestic animal except a cat or a dog. He kept the dog as a pet and not for the purpose of guarding the premises or otherwise for the benefit of the Council. The school-keeper was aware that on previous occasions the dog had attacked a boy and the County Court Judge held that there was sufficient evidence of knowledge on the part of the school-keeper that the dog was accustomed to attack mankind to have rendered him liable for the plaintiff's injuries if she had brought an action against him. The defendants, however, had no knowledge of the mischievous propensities of the dog, or even of the fact that a dog was kept on the premises.

The Lord Chief Justice, in giving judgment, after stating the facts, pointed out that while it was quite true that the knowledge of a servant might be imputed to his master that was only when the knowledge was acquired by the servant as such in the course of his employment on the master's behalf. In the present case the knowledge was not acquired by the school-keeper as the servant of the Council, but as the owner and keeper of the dog. He drew a distinction between this case and that of *Stiles v. Cardiff Steam Navigation Corporation* (33 L.J., Q.B., 310) where the dog was kept for guarding and protecting the premises of the corporation. He held that the question of negligence or the doctrine of common employment did not arise. The action was for keeping a dog which was known to be of a fierce and mischievous nature, and accustomed to attack and bite mankind, and in such an action negligence was not an issue. There was no ground on which the Council could be held liable for the injuries to the plaintiff.

Lord Wright, in delivering judgment agreeing that the appeal should be dismissed, after pointing out that the wrong lay not in keeping a dangerous animal but in allowing it to escape from control and do damage and that damage was the gist of the action, questioned whether the defence of common employment had any place in circumstances where an employer had knowledge of the vicious character of the dog. There was no need to decide the point in the present case because the plaintiff must found her case on proof that the Council were responsible for the dog, and that she could only do by establishing, first, that it was the Council's dog, or was kept by them and, secondly, that they had actual or imputed notice of the dog's propensities. The plaintiff's case broke down on the first head. It was no part of Mr. Frankland's duty to the Council to keep the dog, nor was it incidental to his duty to them. It was his personal pet. The real test of responsibility was not ownership, but possession and control. The Dogs Act, 1906, put the liability under that Statute for damage done by dogs to cattle on the owner of the dog with the proviso that the occupier of any premises where the dog was kept, or permitted to live or remain, should be presumed to be the owner and should be liable for the injury unless he proved that he was not the owner of the dog at the material time. Both the common law and the legislature had recognised that a dog was naturally so associated with a particular master that responsibility for its acts should depend on ownership or possession and control, neither of which could be predicated of the Council with regard to Mr. Frankland's dog. On that ground the Council were not responsible for the dog and the action was not maintainable against them.

Lord Justice Slesser also gave judgment that the appeal be dismissed. (*The Times*, 21st October, 1933.)

Superannuation Scheme

The Court of Appeal has affirmed the decision of Mr. Justice Talbot in *Pounder v. London County Council* (11 PUBLIC ADMINISTRATION, 406) in favour of the defendants in an action whereby the plaintiff sought a declaration that as an established officer employed in an asylum by the defendants he was subject, and entitled, to the benefit of the provisions of the Asylums Officers' Superannuation Act, 1909, and not subject to those of the Poor Law Officers' Superannuation Act, 1896. (*The Times*, 24th October, 1933.)

Reviews

GENERAL AND HISTORICAL

Ideals of a Student

By SIR JOSIAH STAMP, G.B.E., LL.D., D.Sc., F.B.A. (Ernest Benn Ltd.)
8s. 6d. net.

THIS book is based on material which was originally used as lectures to academical audiences in Great Britain, Canada and the United States. Its main themes are, first, the importance of the academic training as almost the only sound means of approach to the problems—and especially the economic problems—of the present day; and secondly, the principles and methods by which the academic mind should work. The author enters a strong plea for research as an essential part of a general education, and defends the cultural value of the curriculum of a School of Commerce.

The main impression left by the book is the versatility of the author. The only references to Sir Josiah Stamp's work as an administrator are slight and indirect. But this book reveals him in his familiar roles of economist and statistician; it also reveals him in the roles of philosopher and theologian, in which he is less familiar to most people. In the second half of the book an ambitious attempt is made to draw a cross-section through the whole sphere of knowledge—essentially an essay in logic; the examples used show that the author has browsed in mathematics, chemistry, physics, sociology, and jurisprudence. He confesses to having dabbled in phrenology; and one suspects an interest in genealogy as well.

It is probably in its incidental references that the chief charm of the book consists. Of special interest to the public servant is a summary of the author's earlier work (in the *Journal of the Statistical Society* for 1915) on the homogeneity of age groups in respect of the distribution of wealth (pp. 88-90).

The following aptly illustrates the author's view of the universality of knowledge: "No mind that has mastered the real difference between a balance sheet and a profit and loss account can fail to carry that relation into the innermost reasoning on all human interests, not even excluding religion." One is inclined to object that there are many men who show every outward sign of having mastered this important difference, and yet show no sign of being profoundly influenced by that knowledge. In that case, Sir Josiah Stamp might retort, they have not really grasped the distinction. But this further

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argument would serve to prove that this element in accountancy may be grasped only by a mind which has already acquired a wide cultural background—although it is no doubt true that a mind that is rich enough to acquire this knowledge will be further enriched by having acquired it. One might suggest, therefore, *pace* Sir Josiah Stamp, that accountancy has very little cultural value except to those who have laid a sound cultural foundation before they start it; and that a School of Commerce—or for that matter, a School of Public Administration—is a poor substitute for one of the more orthodox university courses. The proper stage for such specialised training is after the learner has graduated, or even after he has entered upon his business or profession.

The quotations in the book are possibly too frequent; and in view of its wide scope the absence of an index is a real drawback. But it is hypercritical to cavil at these blemishes; the marvel is that Sir Josiah Stamp, despite the exacting duties of his position, should, himself have preserved inviolate the "ideals of a student," and should never falter in pursuing them. "When one's active energies," he writes, "have been spent in painfully estimating how known forces are going to act in unknown conditions, or how known conditions are going to be affected by unknown forces—or both"—which has been the characteristic process of business management in recent years, there is a relief in undertaking research for a definite past fact of significance There is a negative aspect too. People who wonder how leisure can possibly be given over to such work do not realise that it may be more exhausting mentally to have an unanswered problem constantly nagging one's mind, waiting for an opportunity for examination, than it is to sail straight in and work it out, or search for the answer."

To us lesser fry, who complain that we have no time nor energy for serious study outside our work, Sir Josiah Stamp is an example and a reproach.

W. D. S.

Perspective

A History of the French People. By CHARLES SEIGNEBOS (Professor of Modern History, University of Paris), translated from the French by Catherine Alison Phillips. (Published: Jonathan Cape.) Pp. 400. 12s. 6d. net.

Aspects of the Rise of Economic Individualism. By H. M. ROBERTSON, Ph.D. (Senior Lecturer in Economics, University of Cape Town). (Published: Cambridge University Press.) Pp. xvi+213. 10s. 6d. net.

Town Government in the Sixteenth Century. By J. H. THOMAS, B.Litt. (Published: George Allen & Unwin Ltd.) Pp. 180. 8s. 6d. net.

"WHAT have we a right to demand of an historian?" asked Augustine Birrell in the first essay of "Obiter Dicta," replying to his own question:—

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"First surely, stern veracity, which implies not merely knowledge but honesty"

"Secondly, a catholic temper and way of looking at things."

"Thirdly, he must be a born story-teller."

Later in the same essay he sums these up—with something added—in the phrase "the *great* historian is a great artist." "England," he adds, "boasts two such artists, Edward Gibbon and Thomas Carlyle."

Clearly, Augustine Birrell did not encourage critics of current works to use rashly the term great artist. But below this superlative class he recognises other useful grades. There are the "historical artisans":—

"Horny-handed sons of toil, they are worthy of their wage." As examples of this class he names Bishop Stubbs and Professor Freeman of whom "it behoves every ignoramus to speak with respect."

So wrote the last of the great Victorians. To-day we are not so sure of our standards. It is not that we revere the great artist less, nor do we fail in appreciation of the worthy artisan. But our generation has been hurled into situations where the virtues of the pioneer have to be recognised.

The three books which have provoked these reflections, however, illustrate that pioneering work is not all of one kind, and that each has its dangers as well as its uses.

The greatest of these three probings in the field of history, and, incidentally, the one which most nearly fulfils the requirements of Augustine Birrell's principles, is that by Professor Seignebos, who has worked at the development of a new perspective in French history. This he feels to be necessary as:—

"Those historians of the first two-thirds of the nineteenth century to whom is due the formation of French history as taught in the schools and familiar to the cultured public have distorted its perspective in two respects.

"In the first place, the records which they used all came from men belonging to the privileged classes who took little interest in the mass of the population beneath them and had little knowledge or understanding of its conditions of life and unconsciously (they) tended to exaggerate the part played by the great.

"In the second place, up to the sixteenth century the records provide us with a knowledge of the facts that is incredibly incomplete and fragmentary, and, with regard to those points which are most important for the understanding of a society, they usually leave us in utter darkness. But modern historians have filled

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up the gaps either with legends, arguments based upon rash generalisations, or conjectures disguised under the form of abstract formulas or metaphors.

"It has been my main preoccupation to indicate the origin of those conditions of life, sentiments, ideas, usages, and institutions that have seemed to me to form the essential substance of French life."

In 375 pages the history of France is traversed from the foundation of Marseilles about 600 B.C. up to the post-war period, and the new perspective is inculcated. Throughout, the story maintains a vivid sense of inter-related movement, at no point does it become disjointed. The space devoted to different periods is finely proportioned to the mass of ascertained fact available and to the author's purpose—the understanding of the French nation.

The outlook is well illustrated by the following summary of the influence of Richelieu:—

"The effect which he produced upon the political evolution of France seems to have been exaggerated in the nineteenth century. He did not put down the resistance of the *grands*, for it recurred with equal strength under Mazarin. He did not destroy the organs which kept a check upon the Government, for as early as the time of Henry IV these checks had ceased to be operative. He did not create the despotic régime, which was already in existence. The most he did was to weaken public interest by discouraging the upper classes from taking an interest in public affairs."

It would be difficult to find a more challenging paragraph anywhere in historical literature. Realising that he has probably shocked his readers into donning their thinking caps Seignebos, in support of his summary, puts up a brilliant review of the period. This view is not merely important to the appreciation of Richelieu, it is the key and starting point to the understanding of pre-revolution France.

Then again, dealing with the achievements of the Napoleonic Empire, 1804-1814, he states:—

"The only lasting work of the Empire was the Imperial University, which, under this ancient name, wrested from its former sense, grouped together the whole of the public educational establishments."

The final dismissal of the Napoleonic period is in the following terms:—

"Europe was left with a profound distrust of the French, who were regarded as a bellicose people, and France was left with a 'Napoleonic Legend' which disturbed its internal peace and ended by leading the nation into a policy of adventure abroad."

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One is tempted to go on quoting from this most challenging writer. But remembering that the business of this Journal is "Public Administration" and that history is but part of the background, one more passage must suffice.

"The republic established in 1875 had no connection with any of the republican traditions of France. It lacked the feature that had been inherent in the very idea of a republic according to the French tradition: that is, the explicit recognition of the sovereignty of the people

"The form of government was a parliamentary one, on the model of the English monarchy, in opposition to the republican doctrine of the 'separation of powers' The ministers, following an English practice, which now received the force of a legal principle, were 'jointly responsible' to the Chambers, and that no longer in a legal sense only (implying that they could be impeached for a crime), but in a political sense; the Assembly had admitted without debate the principle that they must resign in case of disagreement with the Chambers

"This heterogeneous constitution, which did not satisfy the ideal of any of the parties, is the only one that has lasted; for the first time France was provided with a stable political system."

* * * * *

The book by Dr. Robertson is a much less ambitious effort than that of Professor Seignebos. It comes, however, with the blessing of high authority. It is number one in a series of "Cambridge Studies in Economic History," edited by Professor J. H. Clapham, and published with the aid of the Ellen McArthur Fund.

By intention it is a criticism of the well-known thesis of Max Weber that Protestantism, especially in its Puritan form, has had a very great influence in forming the spirit of capitalism.

The method is to show that the adaptation of Puritan doctrine to the ethics of capitalism did not precede but followed the development of capitalist influences. Furthermore, that during the same period the doctrines of the Roman Catholic Church were adapted in the same direction.

"The concessions which the later Calvinism made to the commercial spirit were in large part the *sacrifice of some part of the Churches' claims in order to be able to retain others* Catholicism exhibited no greater power over its adherents."

Having thus disposed of the Churches, Dr. Robertson searches for the cause of the development of the capitalist spirit and its grip over man. He finds it in the growth of opportunity for profitable speculation and investment of money. He speaks of the "profane

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not the Puritan origins of bourgeois individualism." In other words it is "capitalism" and not the "spirit of capitalism" which comes first in the chain of causation.

The argument throughout is well documented although the enthusiasm of the author for his thesis leads him at times into indiscretions—as for instance when he tries to defend Dr. Chalmers. Dr. Robertson's defence is simply beside the point. No one has ever suggested that Dr. Chalmers did not sympathise with the hardships of the poor. Neither was he remiss in preaching the duty of charity. The criticism levelled at him, is partly due to the perversity with which he continued to uphold a doctrine after it had demonstrably failed to solve the problem of poverty; but generally it is not Dr. Chalmers that is subjected to criticism but his doctrines. And particularly that conception of the "calling," which regarded poverty as a condition prescribed by God, partly as a discipline for the poor and partly in order to provide opportunity for the practice of charity. But this Chalmers indiscretion is not part of the main text of the book, it is but a section of an unfortunate final chapter which is devoted mainly to a propagandist defence of capitalism and the capitalist spirit. Unfortunate because its argument does not arise out of the data examined, and its intrusion within these covers is calculated to prejudice the reader against the careful research contained within its pages.

* * * * *

In his preface, Mr. J. H. Thomas (not the Secretary of State) says that:—

"This short survey of early municipal government, based on town records, is put forward for several reasons. It deals with an interesting period in municipal government, and gives a picture of the old English town that is different from that usually given. It also reveals the close connection between social experiment and national legislation."

The book is divided into eighteen chapters with an "Introduction," and "Conclusion" added. The chapters deal with such matters as "The Town Council," "Town Finance," "Street Cleaning," "The Town Market," "The Town and the Poor," "The Plague and Other Diseases," and the author faithfully summarises what the records of about a dozen towns have to say regarding these matters.

This kind of summary is of great value to the student of public administration and history alike, and it is to be hoped that the author, who is still a comparatively young man, will not stop with this "picture" but will proceed with his investigations on the assumption

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that there is "story" to be told. A story, perhaps, of vivid human interest. It is a story, however, which will require for its elucidation "practical research" (see page 15 of this Journal) as distinguished from "investigation."

A. C. STEWART.

The World Since 1914

By W. C. LANGSAM, Ph.D., Columbia University. Pp. xv+723. (The Macmillan Co., New York, 1933.) 16s. net.

THIS work is a remarkably successful attempt to present a summary of the main events in world history (including the Far East) between the outbreak of the War and the end of the year 1932. It is successful both in the sense of proportion observed throughout and in the eminently judicial tone which the author strives to preserve in discussing highly controversial questions. Dr. Langsam writes from the standpoint of a detached observer to whom the international ideal enshrined in the League of Nations evidently makes a strong appeal.

The first section, about one-third of the work, concerns the international problems resulting in the War and those emerging after its conclusion. An account of the most important of the developments in the various national States occupies the remainder of the book and a few concluding pages sum up the situation and its prospects as they appeared at the end of 1932.

It is inevitable in a work on a scale of this magnitude that many readers would wish to introduce differences in emphasis and interpretation. The omission of any account of the Scandinavian States and an interpretation of the Russo-Polish War which differs considerably from that of Lord d'Abernon are two examples. But Dr. Langsam's strength is that he keeps close to the facts throughout (minor slips are inevitable, *e.g.*, the Deutsches Museum is in Munich, not Berlin (p. 407), and the description of certain anti-submarine vessels as the "famous American mystery or Q ships" (p. 70) is one of the few occasions which raise a Briton's eyebrows).

As an introduction to the main features of the politics of the post-war world the work can be strongly recommended. An extensive bibliography of works in English is given at the end (pp. 661-693).

F. R. C.

The Press in My Time

By R. D. BLUMENFELD. 8vo., pp. 248. (London: Rich and Cowan, 1933.) 6s.

WHEN Mr. Blumenfeld retired from the editorship of the *Daily Express* in 1932 he had directed the destinies of the paper for thirty

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years. In this volume he reviews rapidly the major changes which he has witnessed during the half-century in which he has been active in journalism and it is not surprising that he has much to say which will be of the greatest interest to all who study the forces which form and direct public opinion.

It is a fresh and detached survey remarkable for its openly expressed dissatisfaction with the present state of the daily press. Despite the praise accorded to all those who have succeeded commercially in the newspaper world, Mr. Blumenfeld records his conviction that the popular press has failed in its high function of providing intelligent guidance, reasoned opinions and authoritative pronouncements on the important questions of the day. This opinion will hardly wear an air of novelty to readers of PUBLIC ADMINISTRATION, but coming from such a source it may be hoped that it will have resounding echoes in Fleet Street.

By the Press, Mr. Blumenfeld means the metropolitan daily press. He has nothing to say of the weekly literary and political press such as the *Spectator*, *New Statesman*, *Economist*, &c., which is the more curious as he foresees the time when there will be daily papers to fill the functions these journals at present perform once a week.

The book hardly lays the foundations of that *Zeitungswesen* which we yet lack in England, but it is full of interesting observations and will be largely drawn upon when a serious study of the role of the periodical press in national life is undertaken.

F. R. C.

Third Index Catalogue of the Parliamentary Papers in the Public Reference Library, Newcastle-upon-Tyne

By JOSEPH WALTON, F.L.A., Sub-Librarian, The Public Library, Newcastle-upon-Tyne, 1933. 4to., pp. 60.

THE Library authorities of Newcastle-upon-Tyne are to be congratulated upon the enterprise they have shown in producing catalogues of the Parliamentary and other Government publications contained in their reference library. This third volume deals mainly with publications added between 1923 and 1933. It is apparent that every effort has been made to ensure as comprehensive a collection as possible and that Mr. Walton has undertaken a great labour in producing this general subject index of it. The work should do much to familiarise those who use the library with the great range of information contained in official publications, and it well deserves the emulation of librarians in other large centres.

F. R. C.

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Holstein

His Excellency the Spectre, The Life of Fritz von Holstein. By JOACHIM VON KURENBERG, translated by E. O. Lorimer with an introduction by Wickham Steed. Pp. xlv+264. (Constable & Co., London, 1933.) 8s. 6d. net.

THE extraordinary influence wielded by Holstein in shaping the foreign policy of Germany cannot be paralleled by the career of any civil servant in modern times. Unknown to the general public, feared, hated and distrusted by his subordinates and superiors alike he managed to secure and retain a powerful position in the German Foreign Office under four Imperial Chancellors from Bismarck to Bulow.

An attempt is made in this work to give in seventy short dramatic episodes a picture of his life and to show the methods by which he obtained the sinister authority for which he was renowned. The book is as entertaining as much popular history and it is more soundly based on fact than most. Unfortunately, the point at which the facts cease and the romance begins is by no means always clearly indicated.

For serious students of the period the book cannot compare with the masterly sketch of Holstein by Dr. G. P. Gooch (contributed to the Cambridge Historical Journal and expanded in "Studies in Modern History." Longmans. 1931). Some mention of this study should have been made in the "Selected Bibliography for English Readers" given at the end of the book.

F. R. C.

A Bibliography of Public Administration

Part I.—General Literature. By SARAH GREER. (Institute of Public Administration, 302 East 35th Street, New York, U.S.A.) Pp. xi+90. \$1.50.

AN extremely useful guide to the more important publications in the field of public administration, principally American. Until the second part is published it is premature to suggest additions, but as the section on the National Government of Great Britain contains only eleven entries there is clearly room for expansion. The Institute has begun what is certain to become a very valuable piece of work.

F. R. C.

ECONOMIC AND SOCIAL PROBLEMS

British Public Utilities and National Development

By MARSHALL E. DIMOCK, Ph.D., Associate Professor of Political Science, University of Chicago. (London: George Allen and Unwin Ltd.) Pp. 349. 10s. 6d. net.

THE book upon "British Public Utilities and National Development," which Dr. Marshall Dimock has written, possesses particular interest

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for members of the Institute of Public Administration because much of the information which it contains is derived from the Journal of the Institute and from conversations with its members. Its title and its general theme follow a line of thought suggested in the quotation from President Roosevelt's "Looking Forward" which is placed at the beginning of the book:—

"The development of public utilities is, particularly at this present stage of our economic life, the development of the nation."

In his preface and introductory chapter the author explains his object and his point of view. He postulates the possibility of a philosophy of public service management, and his point of view is that of the "intelligent citizen."

The publisher's note claims, and is perhaps justified in claiming, that the book is the "first comprehensive analysis of the development, organisation, management and control of British public service undertakings." The writer of this review has ventured on various occasions to draw the attention of members of the Institute to the inviting field of study which lay open to British students who cared to handle this growing subject-matter. Dr. Dimock makes some interesting observations upon the reasons why the study of public administration and of the problems which arise out of the conduct of public utilities have received comparatively little attention from British economists and political philosophers. It has been, as he well says, "a sort of no man's land" upon which neither the lawyer, the politician, nor the economist has thought it worth while to enter.

The book is the fruit of a nine months' residence in this country and is based partly upon personal observations of the workings of the various concerns brought under review, but more largely upon a wide range of personal discussions with experts and others interested in one way or another in the management and control of such concerns. It contains copious quotations from articles in this Journal and other sources and many statements based on interviews, sometimes with persons who remain anonymous but at whose identity it is not always difficult to guess. This method adds considerably to the interest and authenticity of the book but involves a danger from which the author does not always escape. Sometimes he appears to be content with imperfectly balanced opposing or alternative opinions, and sometimes, as was indeed inevitable for one compassing so much in so small a time, he seems to have accepted too much at its face value a one-sided account. For example, in the chapter on Railways, which is perhaps most open to criticism, he gives the argument of one side upon the subject of railway capitalisa-

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tion by a quotation in the text and merely remarks in a footnote that the Companies urged a contrary contention. It also seems rather much to state that "on candid examination" the Railway Companies are "feverishly extending their investments on motor services and are permitted to increase their capital and their revenue by this means although the Companies themselves loudly insist that road competition has destroyed the earning power of the railways." This is a very incomplete and one-sided judgment and, though it is based on a statement by the Royal Commission on Transport made three years ago, it required investigation before repetition. Indeed, throughout this chapter (as again in the remarks upon the Salter Report) Dr. Dimock seems to have accepted *ex parte* statements with insufficient critical examination. Similarly, the account of the negotiations connected with the Imperial Beam Service strikes one as giving only part of the story. But these are very minor criticisms of a method which, on the whole, the author of this important study has pursued with skill and success as well as with untiring industry.

The scope of the survey embodied in its pages can be briefly indicated. Five types of public utility are mentioned, of which one is quickly dismissed. It is the Parliamentary concession to individual persons which now survives mainly in regard to such undertakings as ferries, piers and a few of the smaller docks.

Next, there is the "mixed" enterprise in which the invested capital and the actual direction are jointly contributed by a private company and a governmental body. In Great Britain, the Manchester Ship Canal is the most important example of this type of organisation. (The Southampton Harbour Board, to which reference is made, is hardly a case in point, for it is not a trading body.) The author regards this type of undertaking as affording an opportunity for elasticity and adaptability of management and as likely to guarantee a greater degree of public control over finance and policy than the Public Utility Trust. But in some Continental examples (as in Berlin transport) it led to a dominance of political considerations, and it would not have been out of place if Dr. Dimock had discussed the dangers of this form of organisation as well as emphasised its merits. It is only fair to add that he has written at length on this subject elsewhere.

There then remain the three well-recognised classes—the State or municipal concern, the private company operating a limited monopoly under statute, and the Public Utility Trust, in this country usually described as a Board. The Post Office exemplifies the first class, the Railway Companies the second, the Central Electricity Board and the B.B.C. the third, and they are all discussed in detail. Most space is devoted to Post Office telegraphs and telephones and to a

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well-informed discussion on Post Office reform. Electricity occupies the next longest chapter. The B.B.C. is dealt with in a separate chapter of special interest, containing many quotations in Sir John Reith's most vigorous vein. What is called the "cultural foundation" of the B.B.C. and its programme policy are clearly expounded and defended, and the chapter might be read with advantage by all listeners who desire to understand the working and policy of an undertaking from which they derive so much. Water, gas, tramway and harbour undertakings are much more briefly examined in the opening chapter, as also is the London Passenger Transport Board, which might perhaps have received more detailed treatment had its creation not been quite so recent.

It is impossible in a brief review to embark upon an examination of the author's treatment of particular undertakings. Those with the closest knowledge of particular concerns will not always agree with what they find recorded or with the comments on the record, but all these chapters contain much which merits the attention of a wider circle of readers than the specialist. The discussion of Post Office reform is sympathetic in its understanding of the problem of managing that vast business, and the efficiency with which a State Department functions in spite of its difficulties has evidently made an impression upon this close observer. He notes, as chief among the reforms required, the more effective enlightenment of Parliament and the public as to the achievements of the Post Office, greater autonomy in finance, the creation of a functional Board, more emphasis in administration upon the financial and engineering services and the prevention of too much centralisation in the Secretariat (though elsewhere he dismisses as largely groundless the charge that the Secretariat "usurps" power). Since this chapter was written, steps have been taken in the direction of meeting some of the criticisms which it endorses.

In passing, one notes a point as to the practical importance of which most co-ordinating executive officers would agree, namely, the advantage of constant personal consultation and even the assistance which management can derive from a centralisation of office accommodation and close contiguity of the rooms of the principal functional officials. This checks the tendency to rely upon the formality of written reports and memoranda (said to be characteristic of the German method) and the growth of the feeling, which is too prevalent, that personal discussion and conference are a waste of time, whereas the same "observations" recorded at greater length and with less conclusiveness by pen and ink provide a real return for one's salary.

It is time to return to broader questions. What is the author's attitude to some of the main principles which emerge from his study of his subject matter? To take some of the more important of them,

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what are the limits and advantages of regulation by Whitehall and what are its shortcomings? What should be the spirit behind such regulation and control and what attitude ought the public, Parliament and the Department to adopt?

Under the first head, the creation of a Public Trust or Board is treated as an alternative to the regulation of a controlled monopoly by the State. The distinction is not in fact clear-cut, for, in this country at any rate, Parliament views statutory trusts or Boards as in many respects requiring the same kind of regulations as statutory companies with similar functions. But it is an important consideration, not perhaps hitherto sufficiently emphasised, that, in practical working and as a result of a different orientation of public opinion, the extent of regulation necessary in certain fields can be much reduced when the service is organised throughout on the basis of a Board not working for profit. Dr. Dimock takes the view that, in British practice, the attitude of Departments towards control of utility services tends to be too passive and too timid. They wait to be set in motion, and they prefer to receive rather than discover evidence, instead of boldly and freely taking the initiative. They do not understand "the tactics of regulation." They are not exclusively vigilant in pressing the "consumer's" point of view, but are also anxious to see the industry running itself efficiently and smoothly on lines not calling for perpetual interference. Now Dr. Dimock sees certain dangers in this attitude and considers also that undue weight is given to legal elements in those regulatory tribunals, independent of departments, which perform much the same functions as theirs. It would not be right to underestimate the force of his criticisms or overlook their consistency with his underlying "philosophy" of public utility management, which leads him to prefer the active and constant interference characteristic of most American regulatory Commissions. At the end, one still asks, a little sceptically, "What good comes of it all?" and wonders whether our rather different technique may not meet better our different circumstances. Yet this is not to say that there are no fields in which at some point vigorous and active use of latent powers ought not to be applied. It is fundamental that, where monopoly is created, some machinery must ensure to the public a reasonable service at a reasonable price.

Even in such matters as standardisation, while it is true that there has been little resort to compulsion, standardisation of frequency was enforced upon the electrical industry, and the Minister of Transport has made an Order upon the Railways requiring them to adopt standardised methods and equipment in electrical working.

But whether one agrees or not in attaching the same emphasis to particular features of regulation as is done in this book, no one con-

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cerned in administration can fail to profit by its careful and understanding analysis of British methods.

The concluding pages of the book contain some interesting remarks upon what is intended by "commercial" management of public utilities, whether a common administrative and industrial service is desirable to man them and the importance to be attached to the "human" factor. It is surely, however, very disputable to say that "most so-called 'practical' executives would probably say that the attitudes of employees are relatively unimportant in determining the efficiency of an undertaking."

Readers will turn with special interest to what is said as to the comparative advantages and disadvantages of the different types of organisation. The author looks for further experimentation and is not prepared to stereotype one or other of the existing forms as standard. He thinks that experience may show the Public Board to be too far removed from Parliament to be effectively criticised and controlled in financial and labour policies, that a sense of responsibility in the management may be dulled, and that tendencies to log-rolling, personal influence and an unreasonably high level of salaries and overhead costs may show themselves. But one would have welcomed a longer and more critical examination of some of the issues of principle which were raised and so fully debated in connexion, for example, with the establishment of the London Passenger Transport Board.

A good point is made in laying emphasis upon the fact that many of the early undertakings were local monopolies, often confined to local government boundaries, which since the war have been more and more recognised to be obsolete and hampering. The need for reorganisation on a national scale has forced the issue and, faced with it, all parties in the State have accepted large-scale monopolies under some form of public control as a necessary step. This is Dr. Dimock's answer to the question why we have set up so many public utility undertakings, and here he finds the link between their growth and a policy of national development.

Much is still happening and I conclude by expressing the hope, which all his readers in this country will echo, that Dr. Dimock will before long bring his inquiring mind among us again to review what he has formerly examined, to observe what may have happened since his recent visit, and to give us a sequel or a companion to his present valuable volume, which can be recommended without reservation to all students of public administration.

C. W. H.

Organised Research

Monographs on:—

RECENT SOCIAL TRENDS IN THE UNITED STATES.

- (a) *The Metropolitan Community.* By Prof. R. D. MACKENZIE. 21s. net.
(b) *Trends in Public Administration.* By Prof. LEONARD D. WHITE. 24s. net.
Published by McGraw-Hill Publishing Co. Ltd.

IN December, 1929, President Hoover named the committee to survey social changes in America. Funds for the researches were granted by the Rockefeller Foundation, an expert staff was recruited from Universities and other scientific institutions, and a series of investigations were begun early in 1930 which were concluded in 1932.

The Committee, in a foreword to the series of monographs which contain the results of these investigations, speak enthusiastically of their position and work. "The undertaking," they say, "is unique in our history. For the first time the head of the nation has called upon a group of social scientists to sponsor and direct a broad scientific study of the factors of change in modern society."

The uniqueness of the occasion induced the committee to step warily. "To safeguard the conclusions against bias, the researchers were restricted to the analysis of objective data." Other types of research were rated highly, "But an investigation initiated by the President in the hope that the findings may be of service in dealing with the national problems of to-day and to-morrow, should be kept as free as possible from emotional colouring and unverifiable conjectures."

As regards the two volumes now under review; that by Professor R. Mackenzie is a review of the growing urbanization of American life, an estimate of the chief causes of the movement of population, a statement of the effect of this on family and social life. As an essay illustrative of the social significance of census statistics, it is a careful, honest piece of work. Possibly its value might have been increased if Professor Mackenzie had transferred some of his working material to appendices. Other improvements would have been the devotion of some space to a statement of the effect on business and well-being of the changes discovered, proved, and measured; and a statement of what America was doing about it. But presumably these did not come within the Professor's terms of reference.

Professor White sets out the facts about the distribution of functions between various kinds of authority in America as affected by recent changes. He tells us of the development of managerial technique, and gives a lot of information regarding the improvement in the qualification methods of recruitment and training (after entry) of American officials—subjects of great interest to readers of this journal. He interests his readers in the growing efficiency and professionaliza-

tion of officials. But he does not always draw the lessons which these facts carry (but which may not be apparent to the reader) and he makes no attempt to show us the "life" behind and within the facts. Put in another way, we in this country are interested in every movement to increase efficiency in the public services, but efficiency with us implies more than technical efficiency in engineering, medicine, finance, &c. It implies a deep respect for representative institutions and ability to make them work successfully. Professor White does not appear to have carried this conception with him in this analysis of facts. He does not, for instance, tell us how American representative institutions do their thinking, reach their corporate conclusions and achieve results, or whether they do these things better than hitherto.

These two volumes contain authoritative collections of facts which their authors have infused with interest. They do not, on the other hand, treat of those aspects of their respective problems which are the preoccupation of practical administrators in this country, presumably because these questions were outside the scope allotted to them. We hope, therefore, that the authors will follow up these useful pieces of work with still more useful interpretations of the life and purpose behind the facts.

A. C. STEWART.

Unemployment Insurance

By S. P. LOW and ST. V. F. COULES. (Pitman.) 6s.

INTO these hundred pages Mr. Low and Mr. Coules have packed a great deal of their official knowledge of the law of unemployment insurance and transitional payments as in operation during the year 1933, and their summary should just fit the need of the inquiring student, who would otherwise be lost among a labyrinth of Acts and Regulations. The authors do not attempt to interpret the elaborate case law of benefit built up on thousands of Umpire's decisions, but what they thus lose in completeness, they gain in readability. A handbook of this class deserves, in our opinion, a far wider circulation than it is likely to get, for there is still a great darkness in the public mind about the scheme of unemployment insurance, both on its contributory and on its benefit side. And the same is true of our other great national insurances for health and pensions. The general public do not really understand them. These complicated measures, which vitally touch the daily lives of millions of citizens, are virtually left to the mercy of a handful of expert officials. The latter do their job ably and impartially, but that is not because they are watched in all their ways by an alert

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or intelligent public. Indeed, there seems to be a very limited appetite for self-determination in these social measures. A few members of Parliament nowadays do their best to keep themselves informed, but, as a rule, the task is too much for them. One of the difficulties, which particularly confronts the interpreters of unemployment insurance, is that the benefit arrangements are never the same from one year to another. There have been over 30 Amending Acts since 1920 and now the Government is busy with another Bill, which will probably change the whole face of unemployment benefit and transitional payments in 1934.

RONALD C. DAVISON.

National Recovery Measures in the United States

International Labour Office: Studies and Reports, Series B. No. 19. Pp. 224. Price 3s. 6d.

To follow the intricacies and variations of American economic policy is nowadays becoming almost a full-time job. We all know that during the last nine months a spate of measures and orders has poured forth from Washington, designed to embrace the whole of American industry and agriculture and to jerk the system back on to the old prosperity track. But it has always been difficult to follow the details of this gigantic programme: even the main ideas have been confused by the constant changes of personnel and the apparently contradictory utterances of various leaders. In publishing a selection of the actual texts of the "Recovery" measures, the International Labour Office has therefore performed a particularly useful service, which will relieve the future inquirer from a great deal of rummaging in newspapers and journals.

The report which contains this collection of documents falls into two parts. "The first part gives the text of six Acts, having a more or less direct bearing upon industry and labour . . . the second part reproduces the text of the so-called 'Blanket' code and a selection of the codes of Fair Competition actually adopted by different industries." In Part I, two of the Acts completely overshadow the others in importance—the National Industry Recovery Act itself and the Agricultural Adjustment and Farm Mortgage Act. Of the remaining four, one deals with the reorganisation of the railways, one with the co-ordination and expansion of employment exchanges, two with the provision of unemployment relief. These are all interesting in themselves, but the part which they play in the general recovery programme is, comparatively speaking, a minor one. In Part II the particular industry codes do not appear to differ very greatly from the Blanket Code. Although they do not go quite so far

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in the direction of shorter hours, they appear to include everywhere the main principles. From the three sections then—the Recovery Act, the Agricultural Act and the Blanket Code—one obtains a very fair idea of the aims of the Roosevelt administration and the means by which it hopes to achieve them. It will be perhaps useful to mention some of the details.

The Recovery Act itself falls into two parts, completely distinct from one another. One of these deals with the development of Public Works policy. Under the Act an "administrator" is to be appointed whose business it is (a) to draw up a comprehensive plan of Public Works, including road building, housing and slum clearance, conservation of natural resources, etc. (b) With the help of the President to carry these into effect. (c) To make grants to States and Municipalities where they are carrying out such projects. To finance these works as much as \$3,300 million is to be appropriated out of the Treasury: the Treasury itself being given apparently unlimited borrowing powers. Apart from the scale on which it is done there is nothing very original about this part of the Recovery Act. More interesting is the other part which deals with the establishment of Codes of Fair Competition and which has, of course, to be read in connection with the "Blanket" and other codes themselves. Codes may be proposed by associations representative of the industry and must be approved by the President. The President also has the power of settling codes himself. "After the President shall have approved any such code, the provision of such code shall be the standards of fair competition for such trade and industry or subdivision thereof." Legal proceedings can be instituted against those who violate such codes. There are certain clauses relating to the rights of labour which every code must include. These are: (1) "That employees shall have the right to organize and bargain collectively through representatives of their own choosing . . . (2) That no employee . . . shall be required to join any 'company' union. (3) That employers shall comply with the maximum hours of labour, minimum rates of pay, and other conditions of employment, approved or prescribed by the President." It is also stated that no code is to permit monopolistic practices. If necessary the President may impose conditions "for the protection of consumers, competitors, employees and others."

The Blanket Code illustrates all this. It begins with the simple sentence: "This agreement is part of a nation-wide plan to raise wages, create employment and thus increase purchasing power and restore business." The fixing of a minimum wage of \$15 per week for clerical workers and 40 cents per hour for manual workers is, however, only one of four important points. In addition, employers

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agree: (1) To employ no one under the age of 16. (2) To employ clerical workers for not more than 40 and manual workers for not more than 35 hours a week (there is a rather vague clause about increasing wage rates per hour to compensate for the shorter working week). (3) Not to increase prices by more than the increase in costs.

Lack of space prevents us from discussing the implications of this remarkable plan. It is, however, worth mentioning that the "Fair Competition" idea has at least three different aspects. First, the "monetary" aspect—the increase of purchasing power by increasing the total wage bill, secondly, the "Labour" aspect—the vastly improved status of trade unionism under the codes, and thirdly the "Getting Together" aspect—the protection of *employers* against "unfair" competition coupled with the idea that this must not lead to monopoly. One's impression is that this third aspect is much more important in the particular codes. Many of them have a list of "unfair" practices: in the bituminous coal industry this includes selling *below* the "fair" market price.

The Agricultural Act, which can receive here only the slightest mention, is important both because it aims deliberately at raising agricultural prices by output restriction and because for some reason it also contains the granting of inflationary powers to the President. Under this Act he can instruct the Reserve Banks to purchase Government Securities to the value of \$3,000 million, issue United States notes to the amount of another \$3,000 million and reduce the gold content of the dollar by 50 per cent. For the two most important Acts—the N.I.R.A. and the Agricultural—charts have been prepared which summarise the details for the reader most conveniently. As is rightly emphasised in the preface to this volume, the Recovery Measures are for the most part limited in their operation to two years. The non-inflationary parts of the programme, therefore, appear to have been conceived not as permanent institutional changes but only as part of the great "Back to Prosperity" effort.

H. T. N. GAITSKELL.

The Planning of Agriculture

By VISCOUNT ASTOR and KEITH A. H. MURRAY. (Oxford University Press.) xviii + 186 pages. 6s. net.

SELDOM has British Agriculture been so much before the public eye as to-day, and the present interest is occasioned chiefly by the various steps which are being taken to relieve the distressed state of the industry. Planning also is a very topical subject, and Viscount Astor and Doctor Keith Murray have therefore chosen an opportune moment for publishing this critical examination of the possibilities of planning the development of agriculture in this country.

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In their previous book, "Land and Life," the same two authors set forth their own plans for helping agriculture, including proposals for a tariff on live stock as well as on fruit and vegetables. In the present volume they describe the main features of the existing organisation of agriculture in this country and examine some of the problems involved in any attempt to control price fluctuations or volume of production.

The most conspicuous attempts at agricultural planning in Great Britain to-day are the various schemes under the Agricultural Marketing Acts. These Acts offer various statutory powers for industrial self-government through marketing schemes, subject to a certain measure of Government supervision, and they mark an interesting constitutional development. Mr. Street, Principal Assistant Secretary in charge of the Markets Division of the Ministry of Agriculture and Fisheries, gave some account of the provisions of the Act of 1931 when he spoke last March on "The Marketing of Agricultural Produce" at one of the Institute's London lunches. Since then we have had the Agricultural Marketing Act of 1933, with its provisions for regulating imports in connection with marketing schemes, and for the constitution of Development Boards as a link between producers and processors, *e.g.*, between a Pigs Marketing Board and a Bacon Marketing Board. Schemes under these Acts for the marketing of milk, pigs, and bacon have also come into operation in 1933.

The present book is not so much concerned with the administrative aspects of these Acts as with the broad issues of policy involved. Whilst conceding that the Acts may contain some valuable provisions the authors are somewhat sceptical as to how much these marketing schemes can hope to achieve. One of their main conclusions is that the regulation of production should be by the automatic action of prices, and that any long-term policy of regulation by quotas for home or imported produce or both will lead to almost insuperable difficulties. "Can Agriculture be planned?" they ask, in effect, and whilst not giving a cut and dried answer they are rather pessimistic as to the outcome of some of the present efforts.

This interesting and able book will repay the attention of all interested in the future of British Agriculture or in the possibilities of planning, whether or not they agree with its conclusions. A word of praise should be given to the useful tables and figures contained in the book, which have been carefully chosen to illuminate and exemplify the various issues discussed.

X. Y. Z.

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Public Utility Tariffs

The Price Policies of German Public Utility Undertakings. By H. E. BATSON.
(Humphrey Milford.) Pp. xx + 216. 12s. 6d.

ONE of the things that makes the Public Utilities a particularly interesting field to the student of realist economics is the perpetual compromise between economic principle and political expediency—or, if you will, social duty. On the one hand, for example, it is frequently in their interest to differentiate their charges as between one class or group of customers and another: on the other hand, working as they do under a considerable degree of public responsibility or public control, this is just what it is peculiarly difficult for them to do. So what we get is a massive mixture of differing practices, as between one type of service and another, or between one country and another in respect of the same type of service, and as between one undertaking and another of the same class in the same country. When every allowance is made for differences in local conditions—in demand characteristics—there remains a charming assortment of anomalies for which the most that can be said is that the various publics have grown accustomed to them. To take one salient example, why is water almost invariably supplied in this country on the basis of a fixed assessment and in Germany almost invariably at a rate per gallon measured by meter?

Mr. Batson was enabled by the Garton Foundation to make a study the price or tariff practices of German Public Utility undertakings. This useful little book is the result. While mainly addressing himself to the task of getting at the facts, he adduces and discusses principles in a way which adds considerably to its value for the thoughtful student. Clearly, Mr. Batson has the root of the matter in him, and a certain sketchiness in the treatment of some major issues of great importance was inevitable if his study was to conform to its indicated limits. The short chapter on "Management in Germany" may be cited as an example. He gives a brief but useful survey of the development of German Public Utility management, and of the various forms with which experiments have been made: company management, municipal management, the "mixed undertaking," "improved public management" (the *Regie*), and "public management in company form." We want to know more about them—how they work, whether, as between one type and another, any significant differences in policy and enterprise or in efficiency of performance can be observed: and such information as there is on these matters is not very accessible. Some day we may perhaps hope for a fuller and more critical study by Mr. Batson in this field: for present purposes he invades it merely to provide the necessary introduction to his study of price policies.

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Into this he has obviously put a great deal of work. Of the four utilities with which he deals—Water, Gas, Electricity, and Tramways—the treatment of the first is perhaps the least satisfactory. Some of the introductory matter seems unnecessarily elementary—the author evidently had his first-year students in mind—and most of it applies not to water supplies specially, but to all the utility services with which he deals, and would be better, therefore, as a separate chapter introductory to the whole subject. When we come to water itself, we find an excellent collection and classification of the German data but no real answer to the question why, if the metering system is too costly to be serviceable in England (p. 87) it is almost universally adopted in German towns. Is it that the results under the British system give a sufficiently close approximation to those under the German system, without the expense of actual measurement: or is it, as Mr. Batson himself seems to suggest, that the British practice is based on social considerations—ability to pay—and the German on economic, with a special bias—to which Englishmen in general are immune—against waste: do the Scotch meter their water? The fact probably is that water service in developed countries is ceasing to be the supply of a commodity and has passed into the category of a necessary local service possessing, however, a special need for economical utilization. The corollary is that the main object of the tariff structure should be not to maximize demand but to prevent waste. Incidentally, this principle makes an anomaly of the commercial dividend-paying water company.

The material relating to gas tariffs is of special interest in this country, where, in contrast to the great variety in German tariff bases, only one method of charging is in use for domestic consumption. The Germans have overdone variety, as they themselves are disposed to admit, but Mr. Batson is probably right in his general conclusion that the two-part tariff is much nearer the ideal than our own flat-rate method of charge. The Biebrich tariff scheme (pp. 121-2) is particularly interesting. It is startling to learn that a recent investigation showed that 25 per cent. of all the customers of three of the largest gas undertakings were unprofitable.

The electricity supply industry in Germany presents the same picture of multifarious confusion in its methods of charging as prevails in this country. Mr. Batson also, in investigating this industry, ran into a secrecy complex, which may have some significance. It is at any rate unusual. His view that "the satisfactory solution of the tariff problem would be of more importance to the industry than any conceivable discoveries in the technological sphere," seems to be supported by the facts both here and in Germany. Perhaps we have, of late, advanced a little further in the direction of that goal than the

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Germans: but no one would call the pace rapid or the effort strenuous.

One minor though general criticism may be permitted. Mr. Batson seems to overrate the accounting cost of relatively complicated tariffs. There was a time when this burden was a material factor in the determination of the tariff-structure. But modern methods of mechanized accounting in its various forms have changed the situation radically, and it will normally be found that accounting objections to methods of charge on the ground of their alleged costliness are based on out-of-date practice.

The standard British treatise on public utility economics has yet to be written. At the moment there are "nine and ninety ways of constructing" public utility tariffs, and it is very doubtful indeed whether all or even many of them are right. Meanwhile we are beginning to collect and correlate the data, and Mr. Batson's researches, supplemented as they are by a certain amount of criticism, itself based on a sound conception of the principles and the unity of the subject, are of definite value. For wherever overhead costs, combined with some elasticity of demand, are present—as in most public utility services they are—the question of "tarification" becomes one of the first importance. If he will go on to investigate the causes underlying the many differences in tariff structure for similar services, and the effect of over-capitalization on rates of charge and indirectly on tariff structures—this latter presents some disturbing features—he will place us still further in his debt. For, although he has written primarily for students in economics, work on these lines by a trained economic thinker will be of great value to those who are called upon to frame and to justify the tariff structures and policies of the utilities themselves.

H. N. B.

British Public Expenditure, 1921-1931

By JOSEPH SYKES, M.A., M.Com. (London: P. S. King & Son Ltd.) 8vo, pp. xii+388. Price 15s. net.

SEEKING to frame an objective and scientific estimate of the amount and of the social and economic effects of British public expenditure Professor Sykes has another motive in his new book than that urgent desire to find methods of reducing expenditure which has actuated the periodical economy committees appointed by the Government to study the same question.

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It is a task which is far from being so simple as it might be expected to prove. Apart from the difficulty arising from the lack of adequately analysed statistical data, there are difficulties of presentation and of finding a standard by which the utility or otherwise of the expenditure may be judged.

If the book yields no very clear impression it is largely because of these obstacles. This is almost inevitable in view of the magnitude of the task and the enormous number of factors comprised under the direct and indirect effects of public expenditure. In part it is due to the difficulties of arrangement of the book itself. Professor Sykes divides the expenditure under six heads and shows how it has varied quantitatively. (The use of graphic methods would have helped here.) He next proceeds to review in turn the economic and social effects which have followed from each of these groups of expenditure. Thirdly he attempts a critical summary estimate and appraisal of these effects. Finally a summary estimate of the whole is given. It is difficult, therefore, to avoid some repetition. But it is the difficulty of making a critical estimate of the social gains and losses as a whole which will probably strike most readers. It is apt to involve judgment to which it is very difficult to give scientific precision, such, *e.g.*, as that the Old Age Pensions scheme "has resulted in a very large measure of personal content and happiness," and that "it may be counted as a distinct social gain . . . that relatively large numbers of the population are housed at decent standards."

Not all the arguments are so transparent and Professor Sykes faces the involved problems of the incidence of the benefits of the different branches of expenditure upon various groups of recipients, the general effect upon the incomes of the richer and poorer groups of society respectively and within those groups themselves. A large part of the book is concerned with this problem, which necessarily leads also to some study of the incidence of taxation on the Richer and Poorer.

It is perhaps inevitable that the treatment of some questions should be slight. The discussion of expenditure on public works is scanty; so also is that on the expenses of administration (pp. 306 *et seq.*). Professor Sykes imagines, for instance, that merely because the expenditure for stationery and printing has amounted to about £1.5 million a year, there is *prima facie* evidence of waste. Basing his judgment apparently on some observations by the Select Committee on Public Accounts between 1922 and 1925, he recommends that "the wastage observable in stationery and printing should be rigidly dealt with."

There are few such outspoken judgments in the book and it is the more unfortunate that this one should have been made in obvious

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ignorance of the needs of public administration under this head and of the positive machinery for control already existent.

In spite of a few such inadequacies the book will fill a gap in the literature of public finance and administration and our gratitude to Professor Sykes will not be diminished by his announcement that this work is preliminary to a study of the validity of the present scheme of public expenditure in its relation to an alternative application of social resources.

F. R. C.

Economics and Politics

DAS POLITISCHE ELEMENT IN DER NATIONALÖKONOMISCHEN
DOKTRINBILDUNG.

By Dr. GUNNAR MYRDAL. (Junker und Dunnhaupt Verlag. 1932. Berlin.)
Pp. xi+309. 12 M.

It would hardly be surprising if widespread popular disappointment at the poor response which economists have made to the general expectation that they could and would provide a ready cure for the economic depression should lead to a renewed investigation of the nature and scope of economic science.

In England we have had Professor Lionel Robbins' "Essay" but already in Sweden Doctor Gunnar Myrdal had completed a more exhaustive work on a similar theme. This book has since been translated into German. It is in many ways unfortunate that there has been no English version, since the argument, unlike that of Professor Robbins, is founded principally upon a critical investigation of the work of English economists, with whose writings Doctor Myrdal shows a remarkably intimate acquaintance.

He is concerned to trace the influence which ethical or political views have had in the formation of economic theory. It is an influence from which, as he observes, economists have frequently declared that they would free themselves but it has nevertheless been so potent that their practice has belied their professions. Economics remains in consequence embarrassed by a mass of non-economic or "metaphysical" ballast. Among the topics which may be so described Dr. Myrdal lists: utility, real or subjective costs, value (other than exchange value), social satisfaction, general welfare, least social sacrifice, the concept of national income as the sum of individual satisfactions, and in general all those social doctrines whose political bias is concealed by the claim that they are "the economically correct," "the economic . . ." or "the natural . . ."

This is clearly a radical programme but it is soundly based on an

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exhaustive study of the environment, political, psychological and legal, in which economic doctrines took shape. The old theory of natural rights and the later doctrine of utilitarianism, elaborated by the refinements of a psychological hedonism are shown to have become so much a part of economic speculation that they seem ineradicable. The result has been, in the imperfect state of political theory, that almost all economic theories are immortal since they can be given some extraneous plausibility. Dr. Myrdal's examination of the classical and of the neo-classical theories of value is refined and penetrating. He is able by means of it to effect an acute analysis of the current concepts of economic liberalism and of the whole basis of the economics of welfare, especially as it is applied in the theory of public finance, a subject which, as he rightly observes, affords the most conspicuous examples of social and political valuations masquerading as economic necessities.

He faces in the final chapter the question, how can economics be practical without being politics? and he concludes that the task of economics will be to keep political arguments on a rational basis, rational in the sense that they rest on the most complete and correct knowledge of reality available. The scientific value of his work stands the more clearly revealed in that he makes no secret of his own political valuations. When every teacher of economics arrives at the same standpoint there will be hope indeed that the subject may truly become that social science which its most earnest exponents have declared it to be.

F. R. C.

Foundations of the Philosophy of Value

By H. OSBORNE. (Cambridge University Press.) Pp. xxii+132. 8s. 6d. net.

THE manner in which a prolonged investigation of the methodology of many branches of social science reveals their ultimate dependence upon a philosophy of value is illustrated by the work of Professor Myrdal noticed above.

An extremely useful guide to the already large and growing literature of what has become an increasingly emphasised aspect of philosophical study is now available in this new work. The author does not disguise his own preference for an idealist or non-naturalistic solution but the purpose of his book is not so much to advance his own views as to describe and analyse those of other philosophers, a task which is accomplished in an able and scholarly manner.

F. R. C.

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The Fascist Form of Planning

The Economic Foundations of Fascism. By PAUL EINZIG. (Macmillan.) 7s. 6d. net.

The Italian Corporative State. By FAUSTO PITIGLIANI. (P. S. King & Son Ltd.) 15s. net.

DR. EINZIG'S book is both interesting and disappointing. The publisher's jacket says that it gives "a detailed analysis of the economic policy of Fascism as applied in Italy." But in fact the author has attempted nothing of the sort. Not only is there no detailed analysis, in the sense in which that term is used by economists, but there are no statistics of any kind; the author's statements about the economic position of Italy are left unsupported by any authority but their own.

This, of course, is merely to say that Dr. Einzig's book belongs to the useful class of descriptive, non-technical studies of the urgent practical economic questions of our times; a class of work which fortunately commands a wide circle of readers, and which even more fortunately includes books of the standing of Sir Arthur Salter's *Recovery* and Mr. Hodson's *Economics of a Changing World*. But a great part of the value of works such as those named lies in the authors' balance of judgment and freedom from dogmatism on the controversial and complex subjects with which they have to deal. Dr. Einzig is nothing if not dogmatic; and his book appears to present the economic case for the Corporative State, as seen by one who, after visiting Italy to study it, has been strongly impressed with its attainments and possibilities. Indeed, the author practically says as much in his preface. This makes it all the more regrettable that he has not seen fit to provide the reader with the statistical data on which, no doubt, his conclusions were founded. In the absence of such data it is impossible to form an independent judgment, and the book must be read with reserve, as though it were an *ex parte* statement.

Nevertheless, Dr. Einzig's work can by no means be dismissed as polemics. On the contrary, those readers—probably the majority—who are unfamiliar with the point of view and economic aims of the Italian Government will find the book not only very interesting but also provocative of useful thought, bearing directly, as the author emphasises, on both the political and economic problems of the trend, in this country and elsewhere, towards some form or other of "planned economy."

The character of the book can be illustrated by some quotations, from the chapters on "Monetary Policy" and on "Banking in the Fascist State."

"The monetary policy pursued by Signor Mussolini's régime has been strictly orthodox. In fact it may be said that it has been too

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strictly orthodox. . . . From a material point of view he was unquestionably wrong" (in keeping the lira on gold at an unchanged parity in 1931). "From a moral point of view it must be admitted that he was right. . . . A collapse of the lira would have been interpreted at home and abroad as a defeat of Fascism. . . . In the author's opinion . . . it is extremely probable that, with the consolidation of the Fascist economic system, orthodox monetary principles will be gradually relaxed."

"When in the earlier stages of the crisis the decline of share prices began to cause uneasiness among the public Signor Mussolini ordered the banks to support the market in their own shares as well as in the shares of those companies with whose financing they were concerned. . . . The result has been that . . . the leading banks have become their own principal shareholders, as well as the principal shareholders in a large number of industrial undertakings." (Later) "arrangements were made to relieve the bank of its huge shareholdings . . . although to some extent the operation resulted in an increase of the liquid resources of the bank, the Government-controlled company" (created for this purpose—the Istituto Mobiliare Italiano) "has become the shareholder of most leading industrial undertakings of the country. . . . This state of affairs should not, however, be interpreted as a disguised form of nationalization. The Government . . . intends to carry the shares until a revival of public demand for them enables the holding company to place them on the market."

"The new semi-official financial institutions . . . are issuing Government-guaranteed bonds, so that the whole process amounts to relieving investors of their holdings of equities at a time when they are unwilling to hold them, and replacing the holdings . . . by Government securities."

"The Italian system may be criticized on the ground that, as the Government is practically responsible for the liabilities of the banks, the latter may be encouraged to embark upon speculative ventures. . . . This argument does not apply in Italy . . . mistakes made by leaders of banks and captains of industry are treated as unpardonable. . . . In one case, the story goes, the heads of a well-known bank which suffered heavy losses and immobilized its resources were summoned . . . Signor Mussolini . . . told them 'Gentlemen, I accept your resignations.' . . . *The banks are more public-spirited than they were.*" (Reviewer's italics.)

In regard to international economic relations, the author or Signor Mussolini (it is not always easy to distinguish between them in regard to the attribution of the views expressed in the book) seem to share, and would perhaps claim to have anticipated, the view expressed

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recently by Mr. Keynes that the high degree of commercial interdependence of nations to which free exchange gives rise tends to strengthen the factors leading to crises, and that, in order to get elbow-room for experimenting with a planned economy, it is necessary for nations to aim at a higher degree of economic self-sufficiency, which they can in any event now afford.

The lucid clarity of the author's English prose might serve as a model of style to many economists. Popular books should be readable; and this one is.

Dr. Pitigliani's book contrasts rather sharply with Dr. Einzig's. It is a scientific contribution to the study of an experiment in industrial relations, addressed to the serious American or English student, who is accustomed to form his opinions upon verifiable data, and prepared to take the trouble to master them. For, historically, the Italian Corporative State began as such an experiment (whether or not it has now got further), and Dr. Pitigliani frankly treats it as such, without ranging over the wider field of general economic and financial policy. He states prominently at the outset (under the heading "Author's Acknowledgments") that his study was made "in close contact with certain offices of the Ministry of Corporations," and it may reasonably be inferred that he is in general sympathy with the aims of the Italian Government, at least within the field of his subject. But a belief in the soundness of a movement is not incompatible with a scientific attitude towards its study; and Dr. Pitigliani is refreshingly free from dogmatism and tendenciousness.

The book begins with a concise outline of the historical development of labour movements (the plural is essential) in Italy, and a brief account of how it came about that the converging currents of Italian thought and clashing interests after the war forged the "occupational associations" of victorious Fascist syndicalism. The way in which the structure of these associations is designed to preserve their political solidarity (or subservience, according to one's point of view) is clearly explained; and in this connection Dr. Pitigliani makes the interesting suggestion that "the individuals chosen to preside over or to administer occupational associations will represent a new type of politician, who is really a political expert. This type of administrator is characteristic of the present moment all the world over." He adds, more controversially, that the emergence of this type is "probably nothing else than a consequence of the decline of Parliamentaryism." Most English students of administration cherish a hope that it may prove to be the cure for any tendency to such a decline.

The legal machinery governing collective contracts and the Labour Courts is then described, its present inadequacy on the economic side

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being emphasised with the utmost frankness. "It is certainly no easy task to determine wage-rates with the aid of the indications supplied by the Labour Charter and other laws of the Corporative State. . . . The . . . data . . . have not been collected continuously . . . there are gaps . . . nor is it clearly stated how these data should be handled." This part of the book contains a good deal of material for the study of the actual working of the Labour Courts; appendices give the fundamental Charter, and statistical tables, *inter alia*, of labour disputes (these are of course illegal) up to the middle of 1931.

Coming to the Corporations themselves, Dr. Pitigliani is less informative, but no less frank; these new organs can hardly yet be said to exist, and "it is impossible to judge" how they will work. The one Corporation which does function is, rather oddly, the Corporation of the Stage; its task is said to have been particularly arduous, but it is impossible to draw from the author's short but interesting account of its activities any definite inferences about the probable functioning of the other Corporations when they start work. The Corporation of the Stage appears to have begun, in 1931, by promptly setting up a "private independent institution" for rationalizing the theatrical and film agency business; this (novel?) form of Fascist activity was, however, dissolved within six months, its functions being divided and handed over to more official bodies. (One suspects that the detailed story of what happened might be interesting.) The energetic Corporation also obtained from the authorities (within two years) reductions in railway fares for artists, concessions in regard to charges for electrical power used in theatrical performances, the lower taxation of theatre tickets, and a limited subsidy for *successful* producers. One cannot help feeling some misgivings about the economic consequences if all the Corporations act vigorously along these lines! At the moment the other Corporations seem to be in suspense, such functions as are allotted to them by law being exercised by the National Council of Corporations, or by Sections of that body, which appears to mean in practice that they are exercised by the "Head of the Government," that is to say, by Signor Mussolini. But the whole organization is extremely complex; and the impression left on an Englishman, habituated to institutions which have somehow come to fulfil functions quite other than those for which they were originally intended, is one of considerable scepticism about how the Corporations really will work when they do get going.

This observation applies also to some extent to what seems to be the fulcrum of the whole Corporative State; the Ministry of Corporations itself. Dr. Pitigliani gives us its anatomy in detail; this is very

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interesting, and perhaps all we are entitled to expect at this stage. But a study, on the spot, of the working of the Italian Ministries might throw much light on the problems of executive organization.

The Corporative Parliament is still harder for an Englishman to understand; it may perhaps be surmised that one of its real functions is to counteract the tendency to regionalism, which is still a serious problem of statesmanship in Italy.

In the last part of the book, Dr. Pitigliani makes a most praiseworthy attempt, under the general heading "Occupational Associations in Practice," to show in a series of condensed historical summaries how the older parts of the Fascist State have actually worked, up to date, and a chapter is devoted to the organization of the social services.

There is a useful index to the considerable mass of material in the book and a Bibliographical Note.

H. T.

The Economics of Imperfect Competition

By JOAN ROBINSON. (Macmillan.) 18s. net.

THIS is an important contribution to the abstract theory of economic value.

The "marginal" technique of Marshall and the Cambridge school of economists is normally applied to text-book conditions of perfect competition, or else to those of complete monopoly. Except partially and quite recently, the normal condition, which is one of imperfect competition between a finite number of individual producers and consumers, if tackled at all by marginal analysis, has been approached as a variation from the extreme limiting case.

Mrs. Robinson's book (using by preference verbal exposition illustrated geometrically by means of marginal and average supply, &c., curves), applies the marginal technique directly to the normal general condition.

The book is addressed specifically to the theoretical economist, and no attempt can be made to do it justice here. Mrs. Robinson is careful to warn the practical student, seeking a conception of economic value adapted directly for application to his work in an imperfectly competitive world, not to expect too much at present from marginal analysis. The economists have not yet, indeed, opened up to ordinary travellers the thorny trail which the pioneers (among whom Mrs. Robinson is of course numbered) have hacked into the wilderness. The subject, although Mrs. Robinson's exposition is strikingly clear, is still "economists' economics."

H. T.

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Capitalism?

By MAURICE HELY-HUTCHINSON. (Benn Ltd.) Cr. 8vo, pp. 60. 5s.

THIS small book consists of brief aphorisms and questions prompted by the author's beliefs in the necessity for private trading and the difficulties and dangers of Public Enterprise. They afford a few hints and material for a book rather than a book itself.

F. R. C.

The Machine Unchained

Revolution in the World Economic System from the First Steam Engine to the Crisis of Plenty. By L. HAUSLEITER. (Routledge, 1933.) Pp. 336. 12s. 6d. net.

AN attempt to present in dramatic form an account of the economic development of the world in the past hundred years or so and of the real causes of the present crisis.

The author regards the "Corporate State as the only way of escape from the world's present difficulties—this is the 'eternal form,' " and it demands "organic planning, inspired by the concept of a naturally decreed order without which no economic system, no culture, can endure."

With the problems of planning the author does not attempt to grapple. Despite the energetic style in which it is written it is a muddled book, and would itself have been improved by a little more careful planning.

F. R. C.

LAW

The Law Relating to Town and Country Planning

Vol. I, Part I.—The Law Relating to Town and Country Planning. Part II.—Town and Country Planning Act, 1932. 12s. 6d. net.

Vol. II, Part III.—Regulations and Orders. 7s. 6d. net.
(Charles Knight & Co. Ltd.)

MR. JENNINGS, who is well known to readers of PUBLIC ADMINISTRATION, has not written for the general reader, but has produced a most useful guide to a most complicated piece of municipal law.

Part I contains a brief history of the development of the law in which the duties, responsibilities and rights of the various authorities and persons concerned are explained.

Part II is an annotated edition of the 1932 Act itself.

The law relating to Acquisition of Land is set out in the Appendices.

The second volume—containing Part III of the work—explains the numerous steps which a planning authority has to take to bring a scheme into operation as affected by Orders and Regulations.

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Mr. Jennings has not succeeded in making a difficult subject easy, but he has made it intelligible—even to the lay mind. A most useful guide for all concerned in the administration of this law.

X. Y. Z.

The Judicial System of Metropolitan Chicago

By ALBERT LEPAWSKY, of the University of Chicago. (Chicago: University of Chicago Press.) 1932. xv and 265 pp. 18s. net.

METROPOLITAN Chicago is taken for the purpose of this study as the territory lying within a radius of fifty miles from the intersection of Madison and State Streets in the Chicago Loop. "It embraces all or part of fifteen counties in Illinois, Indiana, and Wisconsin, and contains almost five million inhabitants who live under the jurisdiction of approximately eighteen hundred governments or taxing bodies." The problem of judicial government in such conditions will necessarily be difficult. It is not made easier by the working of the American party system, whether in Chicago or outside. This is an excellent study of the problem. It is restrained and yet destructive. It is based upon facts not prejudices. And it is comprehensive. Great use has been made of dockets or court records, and the author has not been afraid to criticise the personnel of the courts.

The book is constructive as well as critical. A final chapter summarises the conclusions and suggests the kind of reconstruction desired. These should be studied by students of English judicial government (though I do not suppose that there are more than half a dozen of them outside the Howard League, whose aims are narrow though important). For though metropolitan Chicago has many defects which metropolitan London has avoided, few outside the "best law and best judges in the world" school believe that legal reforms are not urgently necessary in England. The whole piece of work is a brilliant example of the kind of work which an English University could do if it only had the money and could break away from its traditional respect for "authority." It reflects great credit upon the University of Chicago and the author.

W. I. J.

LOCAL GOVERNMENT

English Local Government

By HERMAN FINER. (Methuen.) Price 21s. net.

DR. FINER has attempted an ambitious task which he defines in the Preface as the writing of "a book on Local Government which offers a plain explanation of how and why the machinery and men work

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as well as they do to-day." He realises that this is a difficult aim, and the question that inevitably arises in the mind of the reader as he closes the book is, how far the author has succeeded.

The first difficulty that must have presented itself was the arrangement of the subject. Dr. Finer has rejected the plan of giving a description first and an analysis afterwards, and combines the two under the various headings of Nature and Problem, Areas and Functions, Constitution, Powers and Organisation, the Central Local Relationship, and Finance of Local Government. A certain amount of overlapping would be inevitable in either scheme, and the one chosen lends itself to a more detailed analysis with less confusion in the citing of references than the other, and was doubtless chosen for that reason. But it results in the lack of a clear and definite picture of the main outlines of our Local Government system. It is surely essential that every student should grasp these before attempting a critical analysis.

All the main problems of Local Government are included in the survey, and most of them are treated as exhaustively as space permits. The various points involved in the arguments for and against suggested solutions of present problems are all given, but with one exception the reader is left in doubt as to what solution Dr. Finer himself accepts. The exception is with regard to areas. Dr. Finer explains clearly the difference between the Regional authority for all purposes, and the creation of special authorities for special purposes, and although he says on page 100 that there has not yet been sufficient discussion of the two proposals, he comes down on the side of a single Regional authority for all purposes at the end of the chapter after a very fair and detailed analysis of the arguments for both solutions. It is a pity that the author leaves the other problems after an analysis and with no conclusion.

The book contains an excellent synopsis of the evidence given before the Royal Commission on Local Government and various Departmental Committees on the problems of the areas, and the references given in the footnotes throughout the book are comprehensive and clear.

The chapter on the Internal Organisation of Local Authorities will be of great interest to the elected councillor and to the official, for it discusses with considerable knowledge and insight the relations between the two, and the relative importance of the amateur element. It also deals with the Municipal Service and compares it with the National Civil Service, and compares also the Committee system of local authorities with the Parliamentary system of Departments under the control of a member of the Cabinet. The importance of co-ordination, achieved in our National Government by the collective responsi-

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bility of the Cabinet and by the Treasury is stressed, but it is surely not correct to say that in local government co-ordination only exists through the Finance Committee? This Committee with the final word on expenditure—subject always to the decision of the Council—must exercise considerable influence on co-ordination, but co-ordination should mean more than control of expenditure, and many councils are reluctant to give their Finance Committees wider powers. In Manchester, for example, the Finance Committee is not supposed to express an opinion on policy, as distinct from the financial aspect of any proposal. In practice it is impossible to keep a real distinction between the two, but the fear of giving the Finance Committee fuller powers, together with a realisation of the need for some Committee to exercise a general control over policy, has led recently to the appointment of a General Purposes Committee consisting of a third of the members of the Council, whose duty it is to report on new departures in policy. A committee of this kind has worked well in Nottingham for several years.

Although the question of recruitment of officials and conditions of service is dealt with, hardly any mention is made of salaries. Yet until the public can be brought to recognise that it is of the first importance that municipal officials shall receive salaries adequate to their responsibilities, a grave danger threatens the future of local government.

In discussing Block and Percentage Grants, the author, as is so often the case when this question is considered, emphasises the fact that a percentage grant induces local authorities to spend. The other aspect of it is surely equally important, namely, that it enables the Central Government to economise much more quickly and effectively than does a block grant fixed for a period of years. This was shown both when the Geddes economies were enforced by the Board of Education, and more recently in 1931 when expenditure on education was cut down by the Government in a way that was not possible in public health, protected by the fixed block grant. It is curious how seldom this merit—or demerit—of the percentage grant is recognised even by experts.

So little is written about Local Government from the analytical and critical point of view that it is perhaps ungracious to criticise, but one is driven to the conclusion that Local Government, though a useful term, is now so complex a structure, that it is no longer an entity and should not be considered as one. The Sidney Webbs in dealing with its various sections needed twelve volumes. Has not the time arrived when students, and those who are interested should be told plainly that if they want anything more than a mere description, they must go to detailed studies of individual problems?

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A book as ambitious in scope as this one invites criticism, but that does not detract in the least from the praise and gratitude that is due from all who are interested in local government to a writer, who has himself collected and digested an immense amount of material, and then set it forth in an attractive form. It is a book of real value.

LADY SIMON.

American County Government

By ARTHUR W. BROMAGE. Pp. vii + 306. (Sears Publishing House, New York.)

THIS is an able study of the Counties in the various American States. America is so large and has been settled at such a variety of times and under such different impulses and influences that it is a difficult task to present a full picture of what is virtually the government of rural areas in a great continent. However, the author has been able to classify rural local authorities into four major types: the *town* in New England; the *township-supervisor* system in New York, Michigan, Illinois and Wisconsin; the *commissioner* system, which is found in a triangular region from New Jersey to Oklahoma and the Dakotas; and the *county* in the south and Far West. The first are governed by a town meeting; in the second, each township elects a supervisor to a *large* county board which governs the county; in the third, commissioners are elected from sub-county (not necessarily township) areas to a *small* county board; in the fourth, the county is the prime unit of rural government, and is governed by a county board, sometimes very small, sometimes very large, elected by districts.

What are the common and outstanding features of these rural authorities? They lack an executive head like the Manager or strong Mayor of the cities, and, on the whole, modern opinion is that they will not be well governed until they are permitted or forced to appoint such officers. Secondly, they do not possess "municipal home rule," which in America means the right to define their own constitution and powers subject to a check by the law courts. Opinion is in favour of their obtaining power to choose their own constitution from models prescribed by the State legislature. Thirdly, the most important county services are local justice and police, main roads, health, public assistance. Experience shows that in all these matters the area is far too small to be efficient. As Bromage says: "those areas persist which were carved out upon the theory that a county shall be of such size, and the county court be so located, that a farmer can drive to the court-house and back with horse and carriage, between sunrise and sunset." There is hardly any co-ordination between the work of the county officers; these officers (*e.g.*, the treasurer, the coroner, sur-

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veyor) are mainly elective; and their subordinates are not selected on the basis of merit. The remedies are: small county boards, who will appoint the chief officials either directly or through a manager and civil service conditions, and a reform of areas. As to areas there seem to be two alternatives, the fusion of counties, or, what is occurring where the problem is taken seriously, as in North Carolina, the assumption by the State of county services, like the highways.

In relation to the simple-minded way out of the difficulty sometimes proposed in England, that special functional regions instead of compendious regions, replace the counties, Bromage, though tempted by his urgent desire for reform, says: "Functional co-operation (of counties) has great possibilities. Once counties get the habit, there will be no end to the creation of special districts. Carried to an extreme, this means the multiplication of joint enterprises with concomitant welter of heterogeneous districts. If all the functional areas—health, roads, almshouses—are made geographically coterminous, then the way is paved for general governmental consolidation. If, as is more apt to happen, these districts are not uniform—and therein lies the essence of functional consolidation—a county will participate in many divergent districts. Although this might eliminate the pressing necessity for general consolidation, it might also make confusion worse confounded."

HERMAN FINER.

The City of Manchester

By C. M. LITTLE. 1933. Pp. 287.

THE civic quality of Manchester is second to none in this country, and stands high in the scale of municipal government throughout the world. It is very sensible of the Corporation to publish a Handbook recording the municipal activity of the city; and this year's edition is particularly full and informative. To those who care for *res publica* it is even inspiring. The record is in a very concise form, and falls into sixteen parts, namely, History and Administration; Town Hall; Education Services; Health Services (three sections); Social Services; other Civic Services (three sections); and Trading Undertakings (five sections), and then some general information. Mr. Charles M. Little, who compiled and edited the volume, and his collaborators, are to be highly congratulated on their work.

The book starts many trains of thought in public administration but we can only set down the most conspicuous. First, let those who speak ignorantly of economy in public expenditure show good reason, if they can, for the diminution of any of the services to the community rendered by the Corporation. They will, indeed, find it an impossible task; but, if they care for the civilisation of their country

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they will find many good reasons why *more* money, not less, should be administered by the municipality for its citizens. Secondly, this concern which directly serves three-quarters of a million people, and through its contiguity to other local authorities, many millions, is a business of terrific proportions. If popular inspiration and control are to be really effective in directing these municipal services, and if every shilling of revenue is to be spent with the maximum possible return, a formidable responsibility weighs upon every citizen. He is as responsible if he does not vote as if he votes. He is responsible for the destruction of representative government if he will not give the requisite time to attendance at committee and council and to a mastery of the information which alone will make his attendance significant. He is responsible for the waste of social resources managed by public administration, amounting to-day to one pound out of every seven of the total national income administered by the local authorities alone, unless he gives as much interest to the conservation or spending of each shilling, as he does in the case of the use of his own income.

We should like to see every local authority of any size produce an annual volume like *The City of Manchester*. May we suggest one addition? There should be a statistical appendix, gathering together the figures which are scattered throughout the volume. It would be useful also to have a note of the total electorate together with the numbers voting at various elections, the table going back, let us say, for a generation.

HERMAN FINER.

DOMINION AND INTERNATIONAL PROBLEMS

The Newfoundland Report

Newfoundland Royal Commission 1933 Report. Parl. Paper Cmd. 4480. Pp. 283. 5s. 6d.

THE most obvious conclusion to be drawn from the admirable report of the Royal Commission on Newfoundland is the grave danger which any country runs when its administration is mainly carried out by ministers without the assistance of a highly trained and authoritative civil service. The Royal Commission has revealed the fact that conditions in Newfoundland have not vitally changed from those prevailing in the middle of the nineteenth century when responsible government was conceded to the island, following shortly on the grant of that form of administration to the Canadian provinces. When the history of responsible government is investigated, for instance, in Nova Scotia, it is easy to see that the dominating principle which

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actuated those who claimed it, even a man so clear sighted as Joseph Howe, was the demand to have control of appointments and promotions in the public service and of the allocation of funds for public works, education, poor relief and so forth. The essential change when responsible government was granted was that these issues fell under the control of members of the legislature who could command a majority therein, and it is easy to understand that in a colony with a small scattered population it has proved impossible ever to lift government to a higher sphere. When it is remembered that not twenty-five years have passed since the federal government of Canada itself set about reform, and that reform is still, as Professor Dawson has shown, far from complete, it is easy to avoid the mistake of too severely censuring the politicians of Newfoundland. Nor must we fall into the error that "greed, graft and corruption" are a phenomenon only of the last quarter-century. A dispassionate examination of colonial history would doubtless reveal that every defect of the recent administration of affairs has been prominent since the grant of responsible government, and that the peculiarly serious effect of these processes at the present day is due in part to the share of Newfoundland in the world-wide economic depression, and in great measure to the fact that in the post-war period the apparent success in the exploitation of timber and mineral resources in the island, and the acquisition under the Privy Council award of a vast dominion in Labrador, encouraged reckless borrowing by the government. The Royal Commission justly animadverts on the ease with which these loans were accorded, though the financiers who handled them must have known, if they had inquired, that the island could not afford to raise such sums. Doubtless, they acted on the belief, now proved to have been justified, that the British Government would not permit default. This raises, inevitably, a serious question, which the Commissioners naturally pass over, whether the present system of admitting Dominion loans to trustee rank is really sound. As the case of Newfoundland shows, there is nothing to prevent a Dominion, after a stock has been so admitted, borrowing money at pleasure elsewhere and disabling itself from the capacity to meet the interest due on the trustee stock. It is not surprising that the suggestion should have been made to the Commissioners that it would be well to permit default, as originally proposed by the Prime Minister, so that lenders might have been warned against loans to borrowers beyond the capacity of the latter to bear. But it is not to be regretted that, apart from possibilities of damage to other trustee stocks, the Commission should have held that it was worth while incurring sacrifice by the taxpayers of the United Kingdom, if British pecuniary aid were made the opportunity of equipping Newfoundland with an

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improved administrative system, whose traditions might be effective if and when the islanders desire to resume self-government.

It was, of course, clear that the existing form of government could not be allowed to stand, for local pressure would have rendered it impracticable to effect the necessary reforms; whether indeed they are possible will depend largely on the capacity of the Commissioners, who under the Governor will supersede indefinitely the executive and legislature of the Dominion. When it is remembered that the separation of the Dominion and Colonial Offices was demanded on the score that the functions of the former were essentially quasi-diplomatic, while those of the latter were administrative, it is amusing that it has been necessary for the Dominions Secretary to undertake control of a work which is largely one of devising effective administration and of planning economic development. Under his supervision the Governor will administer, with his Commission of six members, whose views he may overrule, and will legislate but without such power. Three of the Commission will be from the United Kingdom and paid by British funds, three from Newfoundland. To the former will be ascribed control of finance, of natural resources, and public utilities. Already great improvements in financial measures have been achieved by the aid of British officers under the Treasury Control Act, 1932, passed on British advice. It will rest with the Commissioners to work out reform of the customs tariff, the improvement of methods of fishery and of marketing of fish, the preservation and more effective utilisation of the vital timber and mineral resources, the creation of local government, and the reorganisation of the civil service. The latter is at present in a parlous condition as the result of political influence, the spoils system, insecurity of tenure, and the complete failure of administrations to realise the necessity of training the heads of departments to become responsible and fully competent advisers in place of mere clerical executants of ministerial instructions, based on inadequate knowledge and framed merely to meet immediate political exigencies by the simple method of bestowing benefits on political supporters. It is fair to add that much harm has been done to the civil service and to every activity of government by the compromise elicited by the election riots of 1861, under which efforts have constantly been made to secure an equal distribution of offices, contracts and other rewards between the three great religious denominations.

The readiness of Newfoundland to sacrifice even temporarily Dominion status is not surprising, for that status was rather forced on the Dominion in 1926 than sought by it, the Prime Minister fearing that it might entail British refusal to give aid in emergency. None the less the surrender of self-government is a serious one, and great

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skill in handling the situation will be required from the Governor and Commissioners alike. The only alternative was merger in Canada, but this idea had no appeal to the islanders, who have before them the relative decline of the maritime provinces of the Dominion with the growth of the west, and who look rather to the United Kingdom than to Canada for sympathetic understanding. Had the Dominion been in better financial case, the sale of Labrador might have eased the financial position, but Canada herself could clearly not afford the heavy price asked for an acquisition possibly of great future value, but at present untested.

The Commissioners deserve grateful acknowledgment for their hard work, prudent conclusions, and, last not least, for the psychological insight which has dictated the terms of their report and enabled them to present their case in a manner found equally convincing by the islanders and the Imperial Parliament.

A. BERRIEDALE KEITH.

The Progress of International Government

By DAVID MITRANY. (Allen & Unwin Ltd.) Pp. 176. 5s. net.

I REMEMBER, some years ago, attempting to buy in a large departmental store in Switzerland a household appliance to be found in most kitchens in this country. I did not know its technical name in French, and I was driven to a careful description of its appearance, construction and purpose. The shop assistant listened to me carefully and sympathetically, and assured me that no such thing existed or, if it did, could be made of any practical use. I was fortunate enough, before I lost my temper, to see the very article on a shelf behind his head.

What puts me in mind of this unimportant incident is Dr. Mitrany's book, "The Progress of International Government." How often have we heard—or said: "International Government? Absurd. Of course it won't work." Dr. Mitrany begins with a survey of international government as it has worked and is working.

I have called it a "book"; my quarrel with it is that that is a wrong description. It is a series of lectures reprinted in book form, and that, so often, means that the argument and the illustration are cramped into the lecture's strait-waistcoat. The considerations of time which rule the lecturer ought not to become the rules of printed space and arrangement. Nor do the devices which lighten or brighten the spoken word always improve a book; in cold print a quotation may seem more in the nature of a benediction than the reinforcement of an argument.

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These blemishes (as they seem to me) are important here because Dr. Mitrany's theme is an important one—so important that it clamours to him to expand it, to restate his argument as it were in syllogistic form. His arguments are too closely woven for their pattern to be appreciated by less subtle and experienced minds. Yet it is for such minds that they are intended; it is not fair to find fault with *fine de Bourgogne* because it has not the popular appeal of gin.

It is a common belief, or prejudice, that the machinery of international government created by or out of the Peace Treaties was something new, a bold or rash experiment. It is valuable and healthy to be brought face to face with the fact that the "experiment" was no more than a natural development, an extension of rather than a departure from the principles and practice of centuries. This is Dr. Mitrany's theme, starting with a survey of the past, and leading to an analysis of the present; nor does he shirk the task of sketching a possible future, and one which, while it may shock our untutored national sensibilities, gives us much to ponder, as, for instance, that "to widen the territory is merely to rationalise nationalism" or that "the State has become too weak to secure us equality and too strong to allow us liberty."

The pivotal point is, necessarily, the problem of sovereignty, and the extent to which States are prepared, consciously and willingly, to surrender it. For some reason or other a State seems comparatively anxious to surrender a part of its sovereignty so that its citizens may send postcards to the Antipodes but reluctant to do so in order that its citizens may less easily be sent into the trenches. What is there about the right to make war which makes it the part of sovereignty most jealously guarded by the Sovereign? Is the survival of the theory of State equality, which we see reflected almost daily in the foreign news columns, in the main linked with that obstinate refusal of the States to permit their defences to be a matter of international organisation?

In discussing, in his final chapter, the subject of "authority in the world of States," Dr. Mitrany is at pains to discuss "the seat of authority rather than the means for its assertion," since his avowed purpose is to avoid unprofitable controversies. On somewhat similar grounds he can justify his tendency to ignore the importance of popular tradition. He seems to ignore it in his discussion of the State's "right" to make war; and he has so limited his thesis that he finds no room to discuss the special problem of the Democratic State in international government. In this country, of course, we have not quite the same clear conception of "the State" as is to be found elsewhere, particularly in Europe; our failure, perhaps our

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inability, to seize that conception perhaps explains why we seem to find it so difficult to understand the constitution of League of Nations, and our own place in it. It is to be hoped that later on Dr. Mitrany will apply himself to that problem, and will even attempt to estimate the relative merits of the democratic and the dictatorial systems of government from the standpoint of international government.

His thought is solid and original; to expect that he should himself popularise his thought may be too much. It may be sufficient to commend his book to all who know that they are interested in its subject and to be confident that this will provoke its popular restatement in a form which will impress it on those who are unaware of their interest.

M. K.

Problems of Peace

(8th Series, 1933). Published for the Committee of the Geneva Institute of International Relations by G. Allen and Unwin Ltd. 8s. 6d.
EACH summer there assembles in Geneva a school called the Geneva Institute of International Relations. Its students, drawn from many countries and notably Great Britain and the United States, listen to lectures which constitute a survey of the year's events in the international sphere and commentaries upon the chief events and upon some of the underlying general problems. The Institute's meeting in August, 1933, was its eighth, and the lectures delivered at it (which are easily divisible into the three above categories) were as follows: Survey of Recent World Affairs (Professor Gilbert Murray); Nationalism and the League of Nations to-day (Professor Rappard); Disarmament and Security (W. Arnold-Forster); Manufacture of Arms and the Arms Traffic (Henri Rolin); Public Opinion and the League of Nations (E. J. Phelan); Recent Territorial Disputes before the League (Manley O. Hudson); The Far East Dispute from the point of view of the small States (Seon Lester); The Needs and Prospects of Modern China (Sir J. Hope Simpson); The Gold Standard in International Relations (Professor Moritz Bonn); International Aspects of American Monetary and Economic Policy (Professor F. D. Graham); The World Monetary and Economic Conference (C. K. Streit); Public Works and the World Crisis (P. W. Martin); Recent American Legislation and its effect on International Relations (A. H. Fuller); Authority and Force in the State System (C. Delisle Burns). The lectures naturally are of unequal value and perhaps— to readers in this country—of unequal interest; and the lecturers' claims to be regarded as authorities or experts may be deemed unequal too. But as a whole the collection can usefully remind us of what has lately gone by and spur us to thought about what lies, or might lie, ahead.

M. K.

Reviews

Treaty-Making Procedure

(Oxford University Press, 1933.) Pp. vi+69. 4s. 6d.

THIS volume is the first of a series of technical research studies which are being issued by the Royal Institute of International Affairs. It contains conveniently summarized accounts of the procedure obtaining in 49 different States for the conclusion and ratification of international conventions and treaties. Most of the book has had the advantage of official revision by the States concerned. Dr. Arnold D. McNair contributes a scholarly Introductory "Note on Constitutional Limitations upon the Treaty-Making Power." In issuing this work the Information Department of Chatham House has performed a very valuable and by no means easy task.

F. R. C.

Other Books Received

Books received include the following:—

Title.	Author.	Publisher.	Price.
What Everybody Wants to Know about Money	G. D. H. Cole	Gollancz Ltd.	5/-
The Rate of Interest in a Progressive State	J. E. Meade	Macmillan & Co.	7/6
World Prosperity	Wallace McClure	Macmillan & Co.	20/-
Old and Scarce Tracts on Money	J. R. McCulloch	P. S. King & Son	15/-
Juvenile Unemployment	John Jewkes and A. Winterbottom	Allen & Unwin Ltd.	5/-
Displacement of Men by Machines	Elizabeth Faulkner Baker	H. Milford, Oxford Univ. Press (London)	19/-
		Columbia Univ. Press (New York)	
		Edward Arnold & Co.	21/-
Heredity and the Social Problem (Vol. I)	E. J. Liddbetter	H. Milford, Oxford Univ. Press (London)	16/6
Parliamentary Powers of English Government Departments	John Willis	Harvard Univ. Press, Cambridge, Mass.	—
		Carl Heymanns Verlag, Berlin	—
Was Bedeutet und Wozu Studiert Man Verwaltungswissenschaft	Dr. Walter Norden	Longmans Green & Co.	2/6
The Anti-Slum Campaign Toward Liquor Control	Sir E. D. Simon	Harper Bros. (New York and London)	\$2.00
	Raymond B. Fosdick and A. L. Scott	University of London Press	6/6
The Law and the Constitution	W. Ivor Jennings	Northwestern Univ., U.S.A.	—
The Triumph of Mediocrity in Business	Horace Secrist		
Annual General Report for 1932 of the Island of Ceylon	—	Government Record Office, Colombo	Rs.2
Economic Essays in Honour of Gustav Cassel, 1933	—	George Allen & Unwin Ltd.	30/-
The Law of Child Protection	E. E. Bowerman	Sir Isaac Pitman & Sons	5/-
Judicial Control of the Federal Trade Commission and the Interstate Commerce Commission, 1920-1930	Carl McFarland	H. Milford, Harvard Univ. Press	15/-
The School and the Community	L. Leland Dudley	H. Milford, Harvard Univ. Press	10/6
Employment Exchanges	International Labour Office	P. S. King & Son	5/-

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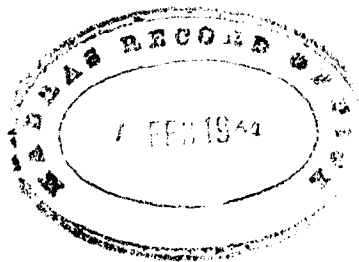
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Palace Chambers, Bridge Street, Westminster, S.W.1.

Books for Review should be addressed to THE EDITOR.

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Summer Conference, 1934

THE Summer Conference of the Institute of Public Administration will be held in Trinity College, Cambridge, on 22nd to 25th June, 1934. The Chair will be taken by Sir Allan Powell, C.B.E. The following papers will be discussed:—

Friday, 22nd June.

HADOW COMMITTEE REPORT ON THE RECRUITMENT, QUALIFICATIONS, TRAINING, AND PROMOTION OF LOCAL GOVERNMENT OFFICERS. (Two Sessions. 10.30 a.m. and 2.30 p.m.)

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Welsh National School of Medicine. „ 222
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Mr. Herman Finer, D.Sc., London School of
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the Joint University Council for Social Studies. „ 305

Note.—The Sessions of the Conference are private and will not, therefore, be open to the Press.

On the Report of the Departmental Committee on Qualifications, Recruitment, Training and Promotion of Local Government Officers

By Lady (ERNEST) SIMON

[Paper to be discussed at the Summer Conference, Cambridge, June, 1934]

THERE will be, I assume, universal agreement that until superannuation is general and compulsory, it will be impossible to get that complete interchange of local government officials that is desirable. This is the most urgent reform, and the one on which there is most agreement. There will also have to be, it seems to me, scales of salaries settled on the pattern of the Burnham Scales for Teachers. This allows for the differences in the cost of living in the different parts of the country. At present there are Whitley Councils in London, Lancashire and Cheshire, and the West Riding of Yorkshire, which deal with conditions of service and minimum scales of pay. Probably development on these lines for the whole of the country would lead later to a national co-ordinating body. The municipal service will have to be considered as a whole if it is to be compared with the Civil Service, but the recommendation of the Departmental Committee, that an advisory central committee be set up, unless it is meant merely as a first step, will hardly meet the case.

If the improvements in the municipal service which the Report hopes to see are to be brought into effect, and especially the introduction of graduates of the type of those who now go into the Civil Service, the public will have to realise that more and not less will have to be paid in administrative salaries. This must be accompanied by a throwing open to administrative officials of a greater number of posts such as Town Clerks, Directors of Education, of Housing, Cleansing, and Managers of Electricity, Gas and Transport Departments.

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The experience of the Burnham Scales has shown that the most—probably the only—effective way of getting a nationally agreed scale of salaries enforced, is by government grant. If it is of national importance to the extent of 60 per cent. that teachers serving under hundreds of different education authorities, should be paid adequately, surely it is equally of national importance that local government officials should have adequate salaries. A government grant of 50 to 60 per cent. in aid of municipal salaries would not only give relief to overburdened ratepayers, but would ensure a properly regulated scale of salaries and of qualifications. Dr. Finer, in his "English Local Government," calculates that there are about 100,000 administrative and clerical municipal officials exclusive of the old Poor Law. There are about 190,000 teachers under the various Burnham Scales, so the problem of the municipal officials is financially a smaller one.

The Departmental Committee lays stress upon the importance of attracting University graduates to the municipal service, on the analogy of the Civil Service, and refers to the fact that the London County Council have made a beginning by appointing annually one candidate from the Civil Service list. The essence of the Civil Service examination is that it can be taken by graduates, who have followed a variety of courses at the University—Classics, Natural Science, Moral Science, History, Economics, &c., and no preference is shown for graduation in one school rather than in another. The argument given in the Report in favour of graduates (p. 27) is that a University course gives an excellent foundation on which to build the practice of administration, from which, I gather that they are in favour of the present system. When, however, discussing the junior administrative grades, those who enter at sixteen, it speaks of the advantages of sifting for promotion by means of examinations in *administration*, both the degrees and diplomas now given by some of the Universities, and one to be devised of a lower standard. I am not quite clear why the Committee makes this distinction between University graduates and officials already in the service, nor what is exactly meant by the Universities when they undertake to teach "Administration." Let us take the last point first.

So far as I have been able to discover, "Administration" as taught in the Universities consists of lectures mainly descriptive of central and local institutions. Some history of the development of political institutions, and some criticism of their working is usually included, and also analysis of the underlying assumptions of democracy and representative government. There seems to me a certain confusion as to its function. Should Public Administration be considered as a vocational and technical subject like "education" in

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the fourth year of a University course of an intending teacher? If so, the diploma might be compulsory for those graduates who intend to enter the municipal service, and the subject might also figure prominently in the Civil Service examination, as civil servants are also administrators. The diploma would also be available by evening courses, as at present, for those non-graduates already in the service. If this view of the subject is accepted, I think courses should be rather different from what most of them are at the moment. For instance, none of the Universities seem to make use of the officials or members of surrounding local authorities, some of whom—at least of the officials—could teach practical administration, which no University lecturer can do, unless like the late Graham Wallas, he has had experience of local government. Many of the students are drawn from the local government service which means—if they are young—that they have as yet had experience of only one office. Whilst they are being given lectures on the history of national and local government, and on the principles of political philosophy, it would surely be of advantage to them to learn about the practical problems of administration that are arising in other departments of the same authority, and the same would be true of students from the local branches of the Post Office and Inland Revenue. Yet I cannot discover that the practice of administration forms any part of the curriculum, either by lectures or seminars.

Administration has been defined as "The art of getting things done, with the least amount of friction," and considering the matter from the point of view of a one-time member of a City Council, I do not think that the definition could be bettered. But it is clear that at present "Administration" to the University means an account of the existing machinery for getting things done, with the history of its development and criticism of the principles which underlie it. These aspects should obviously form part of any course in Public Administration but should not, in my opinion, form the whole. Medical students are taught the practical side of their subject under practising doctors, before they are turned loose upon the public, even as assistants. Every engineering course includes the handling of machines under expert guidance. Teachers in training not only practise on real children, but are given lectures on child psychology, and yet administrators are supposed to pick up "administration." The courses do not provide help in dealing with elected committees or the public, and yet an official's work involves always the three parties, the public, the machine, and between them the elected representatives. He is expected to learn his business from day to day practice in the office. This may be the best way when the immediate superiors are expert administrators, and where officials are moved freely about the

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departments, but unfortunately neither of these conditions are general, and much friction and misunderstanding is roused and much time wasted by a harshly worded circular, or a badly written report.

That brings me to another point. The traditional education of a civil servant enables him to express in writing exactly what he wants to express. He has learned to write the English language extremely well, whether in memoranda within the service, or in letters to outsiders. The average municipal official, on the other hand, has much greater difficulty in conveying in writing to a member of the public, what he has very little difficulty in conveying in conversation. This seems to me the strongest argument for the introduction of graduates into the municipal service. If, as the Committee seems to suggest, the civil servant recruited in the present way, *i.e.*, by examination after an honours course in any subject, can be as successful in the municipal as in the national service, why should the official who can only give part-time to a University course be restricted to "Administration," and not have a free choice of subjects? The answer may be that apart from London University, there are few degree courses that can be taken in the evening. The reasons for this are well known. Are they sound? There is no suggestion in the Report that the Universities should be approached to give more evening degree courses, so it seems as if the Committee does regard the diploma or degree in Public Administration as something half-way between a full-time University degree, and the technical examinations that can be taken without attending any lectures.

The Departmental Committee comes down strongly on the side of more graduates for the municipal service in spite of the difficulties of introducing them. Many who agree with this conclusion may still feel that the difficulties are too lightly brushed aside. It seems to me that there are two ways by which these difficulties could be met.

If it became the practice for civil servants, after a few years in Whitehall to spend several years in the municipal service as assistants to Town Clerks, Medical Officers of Health, Directors of Education, Directors of Housing, &c., they would return to Whitehall much more able to understand the problems with which the central departments have to deal, and they would, meanwhile, have contributed to the municipal service something that is now lacking. They would also be excellent candidates for the posts of chief officials later on.

The other way would be for the local education authorities, who grant annually scholarships to the Universities to boys and girls of eighteen, to award a certain number to boys and girls who left school at sixteen and entered the municipal service, and who have attended evening classes, so that they could spend at first perhaps one year of the course, and later the whole time at a University during the day.

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The department which employs them would have to co-operate by keeping a place for them, but as there would not usually be more from each department than one at a time, that could be managed.

These scholarships would be open at first to competition amongst the officials in one authority, but, if a central body is instituted, it might pool all the scholarships at least for an area, so that officials in a smaller authority would have a chance of competing. The advantages of a scheme of this sort over one which involves bringing in graduates from outside would be twofold. In the first place there would not be the same prejudice amongst the staff, when one of their own members returned from his University course, and secondly both the student and the University to which he went would profit by his more mature age, and by the fact that he would have had some experience of life and work before starting on his University studies. If, as I should hope, the scholarships were for three years, these students could choose any course that appeals to them, as candidates for the Civil Service now choose, and the Public Administration Diploma could then become a post-graduate one-year course—like the Diploma in Education—and might be taken in the evenings, or else—and I suggest this with much trepidation—all that is best in it might be combined with the various technical examinations that are demanded by the different professional associations.

I realise that I have plunged into the midst of a most controversial issue, and that these proposals are open to attack from many sides. Some might come from the Head Teachers of Secondary Schools, whose sixth form consists of pupils going to the University, Training Colleges, &c. If a full-time University course could be still enjoyed by the boy or girl who leaves school at sixteen, will it not weaken the argument for staying until eighteen?

The answer is first that as the supply of these scholarships would be limited and the competition for them very great, their award could not affect many of those who now win county and state scholarships from school, and secondly I would ask if we are quite sure that the only preparation for a University career must be a secondary course up to eighteen? Might not several years of work in an office, combined as it would have to be with intellectual study in the evenings prove, in the case of the few, as good, if a different foundation for a University course? Experience of Ruskin College, Miners' Scholarships, and Scholarships at the Manchester College of Technology, prove that some experience of life and work may enable a student to benefit more, not less, from a University career.

The content of courses in Public Administration is, I know exercising the minds of Universities and local government officials, and the multiplicity of technical examinations caused concern to the Depart-

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mental Committee. Before these problems are solved, I suggest that we should be clear in our minds on the following points:—

- (1) Do we think that the present method of training civil servants, *i.e.*, an honours course in any subject at a University followed by a fourth year preparatory to the Civil Service Examination is the right preparation for those civil servants, who might be sent away from Whitehall into the municipal service for a few years, or should they have taken a course in Public Administration, and if so might it be taken in the fourth year or in the evening?
- (2) If Public Administration courses are considered only necessary for officials, who do not attend a University during the day, then ought they not to be openly vocational and framed accordingly, and if this conclusion is reached, then could they not be run in conjunction with the various professional bodies—the Institutes of Municipal Treasurers, Accountants, of Municipal and County Engineers, Public Cleansing, &c., &c.?

To sum up, I suggest that in order to improve the recruitment and training of local government officials, the following steps are necessary:—

- (1) Compulsory system of superannuation.
- (2) The establishment of Regional Committees representative of local authorities and officials, and perhaps the Ministry of Health to settle qualifications, methods of recruitment, *i.e.*, competitive examinations, and salaries.
- (3) A grant in aid for municipal salaries.
- (4) The seconding by the Ministry of Health, Board of Education, Ministry of Labour, of a certain number of its young officials for a few years' service in the municipalities.
- (5) The award of scholarships to officials in the local government service to enable them to take a full-time course at the University.
- (6) The readjustment of Public Administration courses so as to make them either one-year post-graduate courses, or longer evening courses to be taken in conjunction with professional qualifications.

On the Report of the Departmental Committee on Qualifications, Recruitment, Training and Promotion of Local Government Officers

By RALPH M. F. PICKEN, M.B., Ch.B., B.Sc., D.P.H.
Mansel Talbot Professor of Preventive Medicine, Welsh National School of Medicine. Formerly Medical Officer of Health, Cardiff
[Paper to be discussed at the Summer Conference, Cambridge, June, 1934]

1. For one who has served local authorities for twenty-three years, as I have done, it is difficult to exclude from consideration any of the recommendations of the Committee, but I shall try to confine my comments to those parts of the Report which are of special interest to public health departments. Briefly these are the need for technical qualifications, the field of recruitment of technical officers, the place of the technical officer in relation to administration and the method of appointing and promoting officers.

2. *Technical Qualifications.*—The relevant part of the Report is brief and calls for little comment. The need for such qualifications is accepted, and no person with experience of public health and local government administration can have failed to observe the increase of efficiency which such requirements have brought about. I personally agree with the Committee's recommendation that appointments should be freely open to those who have obtained their qualifications outside of the service, provided that their experience is otherwise suitable. I have been impressed with the difficulty with which some classes of officers are faced in obtaining technical qualifications. Nurses, for instance, have a period of training which lasts for three years at least and often longer. After passing the State Examination, they require to devote at least a year, without employment, to obtaining qualification as a midwife and pursuing a special course of study followed by examination, before they are eligible for appointment as health visitors. The position is a little eased for them by grants from the Ministry toward part of the cost of their training, and some

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local authorities offer a limited number of vacancies affording a modified salary for correspondingly modified service during the period of study. Again, although a Diploma in Public Health is not essential for every medical officer employed in a health department, it is for a medical officer of health. Its acquisition before entering the service is a costly addition to the heavy burdens of medical qualification, and departmental convenience presents difficulties in the way of permitting officers to pursue the necessary courses while engaged in the work of a health department. For these reasons, the City Council of Cardiff in 1926 established half-time appointments, tenable for one year, at half the scale salaries, for a limited number of men and women desiring to study for the Diploma of Public Health. I believe that a number of other local authorities have now adopted this practice. In any case, it seems to me essential that local authorities should put their departments at the disposal of those who, like medical officers, health visitors and sanitary inspectors, require practical experience in connection with their studies and that these facilities should be offered in a form which will ensure that proper practical instruction will be given. I know of no other direction in which the necessary training for such officers can be obtained. The examining bodies vested with the power of granting qualifications for various types of health officer are subject to approval by the Government Department concerned, and this policy might, with advantage, be applied to all technical qualifications for local government officers.

3. *The Field of Recruitment of Technical Officers.*—From what has been said in the previous paragraph, it will be clear that it is so difficult for some, at least, of the technical qualifications required for appointments in health departments to be obtained during employment that local authorities must inevitably follow the Committee's recommendation that they should not confine recruitment to their existing officers. There is a natural tendency to appoint as assistant sanitary inspectors lads who have obtained a certificate by study during service as clerks in a department. While accredited service is bound to weigh with committees and their principal officers, I think that undue preference of this kind does not lead to efficiency, and tends to discourage men with useful experience of other kinds from seeking qualification.

4. *The Place of the Technical Officer in Relation to Administration.*—The Report is interesting on this topic, but the discussion of it is rather elementary and deserves some elaboration. Most departments of local administration exist for the application of technical knowledge and proficiency to the daily administration of affairs affecting the life of the community. It is probably for this reason

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that the principal officers of these departments have been selected from among persons with technical qualifications. My own experience convinces me that it has worked well. We are all familiar with the individual of high professional attainment who lives arduous days, but who will not, or perhaps cannot, devote himself to problems of administration. Such a person is an intense individualist and, like the artist, has an important place in society, but not in any line of work which involves co-operation with, or direction of, others. No doubt, the professions attract a higher proportion of such studious or ingenious men and women than other walks of life, but I have not observed that they constitute a really high proportion of medical men or technicians. Of course, there are slackers among all sections of the community, men who have to be driven, and there are people without grip and initiative, who require constant guidance. If they happen to be technical officers their weakness is most manifest in matters of administration, because that is the aspect of their work which the authorities are able to understand; but their technical colleagues recognise the same deficiencies in their special activities, and these are often obvious in spite of high academic qualifications. I think people of this type are rather common—even among public representatives on national or local governing bodies. I have not noticed, however, that they are more common among technical officers than elsewhere. Such people are unfit to hold positions of administrative responsibility. I am afraid that, if they are technical officers, their failure is apt to be attributed to their technicality, behind which they tend to take shelter, than to their temperamental unfitness. Professional men and technicians are certainly tempted to be impatient of criticism, especially from quarters which they consider ill-informed, to be dogmatic and uncompromising. Administrators have to learn to suffer fools—and sometimes knaves—gladly, and this is a hard lesson for competent officers. It is to the advantage of local government that they should learn it, and there is no better school than this service; but, on the whole, it is good for local government to have officers of the type who find it a hard discipline. Their professional pride is a safeguard against the temptation to weaker forms of compromise which lie in the path of every official.

5. I have been led to these comments because there are men of public spirit, anxious to reform local government, who believe that our method of administration is wrong, that, in effect, efficiency would be immeasurably improved if departments were managed by officers whose specialty would be administration. As I understand the proposal, it would involve, in its complete and logical form, a sort of burgomaster in charge of all the local offices, and a lay administrator at the head of each of these, who might, for instance, be promoted or

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transferred as opportunity arose from the charge of libraries, public parks, &c., to the control of public works, finance, education, public health and so on. I think the promoters of this idea have been misled, partly by the malign influence of bad appointments in the local government service, and partly by the comparative efficiency of our civil service. On the former point I shall have more to say when I come to deal with appointments. As regards the civil service, the comparison is not strictly valid. Technical officers in the civil service—at least those with professional qualifications—are largely engaged in the pursuit and collation of knowledge and its dissemination, the giving of advice on technical questions and, if necessary, criticism of the actions of others. Broadly speaking, they have not, as a rule, executive functions. They have not, to anything like the same extent as local government officers, to apply their special knowledge from day to day to individual case-problems, in intimate relationship with a critical public and with one eye bent upon an Act of Parliament. In my experience, when central government does encroach on this field of activity it is not as efficient as local departments. Nevertheless, and while it would be a mistake to assume that the best use even now is made of professional officers in the civil service, it works. In local government, however, what does administration mean? If it means merely business management, the handling of correspondence and its filing, methods of ensuring that the staff turn up in time and do their work assiduously, in fact all that is covered by the term "secretarial work"; and if to this all that requires to be added is a close scrutiny and supervision of expenditure, there is little to be said in preference of the technician as a principal officer. But administration by the head of a local department means far more than this. It involves the application of scientific knowledge to the practical routine work of improving amenities, removing the inconveniences and alleviating the suffering to which the local community is exposed, and generally broadening the life of the people. It means the day to day supervision of technically qualified assistants carrying out such duties. It means the transmission of the collective experience of a department engaged in such technical functions to those who determine policy, and, on the reverse side, the application of such policy to the technical operations of the department. I submit that these are functions of a technical officer and cannot be exercised with equal efficiency by any other. The other system has been tried extensively in public health departments of the United States of America and is slowly being superseded by one resembling our own.

6. This matter was fully considered by the Committee. They were evidently impressed by the criticisms they had heard of technical

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administrators. In their conclusions they are inclined to hedge. They say "on the whole we are not prepared to say at present that any radical change in the existing system of appointing technically qualified officers to the principal positions . . . is desirable or practicable. We suggest, however, that the larger local authorities should not always take it for granted that the principal officers must necessarily be technically qualified . . ." For the present, the solution of the problem may safely be left in that somewhat nebulous state. So far as medical officers of health are concerned no supersession is possible without considerable changes in the law, and I do not think that these are likely to be made.

7. The Report does, however, rightly stress the importance of finding other means of securing business efficiency in departments. The appointment of lay administrative officers as senior, but subordinate, officers is commended. In effect, this is an arrangement which is widely in force in departments, although it is only in a few areas that a designation has been adopted, qualifications demanded and a salary offered commensurate with the responsibilities of the post. The appointment and recognition of such officers is especially important in highly specialised departments like those concerned with the public health, libraries, engineering, &c. The principal officer requires to be relieved of pre-occupations with business management, an important, although not a dominant, function of the department. For such appointments officers well trained in administrative methods are required, and they ought also to be well educated in a broader sense, so that they can adapt themselves to the peculiar needs of the department; for the problems of filing, recording, registration, and even of control of expenditure are not identical in all departments. In technical departments, especially those employing a large professional staff, the salary bill is heavy, and the secretarial and clerical side is apt to be financially starved. It is essential that authorities should recognise the importance of lay management and pay for it accordingly. I should welcome any designation for these posts which would describe their importance adequately, without unduly magnifying it, but, on the whole, I think the honourable title of "secretary" would serve the purpose.

8. *The Method of Appointing and Promoting Officers.*—The Committee devoted a great deal of attention to this aspect of local government. Its recommendations that entry should be by examination, that there should be an examination bar to promotion, that an establishment committee should take or share responsibility for all departmental appointments, especially of senior officers, and that a central advisory committee should be appointed to co-ordinate the activities of local authorities in this and other matters in relation to

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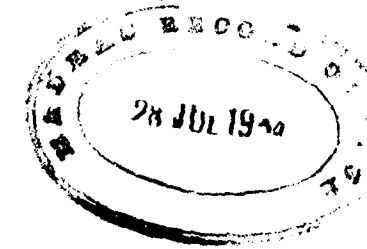
staffing will receive general approval. Anything which will minimise a certain type of local or group influence upon appointments will be welcome, I am sure, to principal officers. Personally, I look upon examination tests as a necessary evil, devised partly to side-step the depravity of human nature and partly to smooth the pathway of puzzled selectors. Being a teacher and examiner for a variety of qualifications, with a good many years of experience, I am profoundly sceptical as to their worth. Given an employing authority and principal officers with no other interest than efficiency there is no machinery of selection so good as departmental trial and elimination of the unsuitable. I know by experience that it can be made to work, but I know equally well its drawbacks and the obstacles to its general acceptance. As an alternative I have arranged from time to time within my own department examinations in English, arithmetic, shorthand, typewriting, &c., supplemented by completely independent mental testing by an officer trained in such methods. This has given excellent results; but mental tests, a limited number of which have been standardized for each age, could not be widely used without opening the door to the worst kind of abuse. At any rate, a local authority which has established a satisfactory system of examinations for its own departments should not be pressed to take part in a regional organisation, perpetuating all the evils of a purely external examination conducted by persons who know little of the educational history of the candidate and nothing of the exact conditions under which he will have to work.

9. But I am most interested in the appointment of principal officers, because it is upon their character that the efficiency and the whole atmosphere of a department depends. Here I think that the Committee have failed to produce a scheme which touches the fringe of the problem. Selection by "a small joint group composed of members of the employing committee and of the establishment committee" is really no better than selection by the former committee itself or by the whole council. The plain fact is that, while members of council are as good judges of a man at sight as anyone else, they are not equipped to assess professional merit; and appointment purely by scrutiny of applications and testimonials, followed by interview, is, in any case, a shot in the dark. Although members of council take a keen interest in these appointments, there are some, at least, who would welcome assistance if they knew where to look for it. As it is, they are tending more and more to promote assistants, partly because they think it is the right way to encourage their staff and partly because it is easier to appoint the man they know than to select from the unknown. This practice stems that fluidity of service and experience that the Committee wish to foster, and I

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know that it is a cause of some discontent in that branch of the service to which I was attached.

10. A man's and a woman's worth is known to their professional colleagues throughout the country, both within and without the service, and to Government officials with whom their work has brought them into contact, yet little or no use is made of this reservoir of knowledge. In universities it is customary to appoint a selection committee for each important appointment, consisting of members representative of the university and others, in equal number, with special knowledge of the type of work which the appointment involves. Possibly because of the estrangement which has arisen between this country and the Irish Free State, insufficient appreciation appears to have been given here to the work of the Local Appointments Commission of that Dominion. This Commission, consisting of three nominated members, is charged with the responsibility of selecting for recommendation to the local authority candidates for any post requiring professional qualifications and experience. It works through boards of selection, consisting of technical experts according to the nature of the appointment. I am informed that its work is raising the standard of local government in Ireland out of all recognition. It may be said that the conditions there called for drastic remedies, which are not necessary or desirable with us. I submit that, if there is a difference, it is only one of degree, and that radical reform in the mode of appointment of principal officers is one of the most urgent questions affecting local government at the present time. I would agree that the procedure favoured by our universities is better adapted to our democratic system of government than the method of the Irish Free State. I wish to emphasise that it presents no practical difficulty beyond the breaking down of prejudice and that, in my opinion, nothing short of it, or something similar in form, will promote that confidence in the local government service which will induce the best men of my own profession to continue to seek office in it. I commend to your consideration this problem, fundamental to recruitment, although the Departmental Committee has not really dealt with it. If it were solved I think we should hear less about the administrative incompetence of technical officers.



The Recruitment of Local Government Officers

By Principal A. E. MORGAN

[Paper to be discussed at the Summer Conference, Cambridge, 1934]

"IT is at least open to question whether the present methods of recruitment are calculated to ensure that local authorities shall have at their disposal officers of the type needed to assist them in the discharge of the increasing responsibilities which Parliament is year by year laying upon them." This serious statement was made five years ago by the Royal Commission on Local Government and it is endorsed by the Departmental Committee in its recent Report on Qualifications, Recruitment, Training and Promotion of Local Government Officers.

It is taken for granted, and few will be found to disagree, that the work of local government is a far more elaborate affair than it was. Not merely is its scale greater; with increase of legislation the local authority has had forced on it functions unthought of even twenty years ago. Housing and Planning, Education, Roads, Transport, Public Utility Services, Public Assistance and Health represent a vast field of local administration, not to mention the many of lesser scope and importance. However much the administrative functions of central government have increased of late it is true to say that the welfare of millions to-day is immediately dependent on efficient local services.

We are now told that inquiry suggests that the best methods are not being used in securing the services of officers to fulfil these vital functions. This is surely a most serious indictment and if it is true action is called for urgently.

It would appear from the recent report of the Committee over which Sir Henry Hadow presided that local authorities have failed to appreciate this shortcoming. The Associations of Local Authorities are "fairly well satisfied with the present quality of officers"; and the officers' representatives "also appeared to be fairly content with the general scheme of recruitment, training and promotion." This makes the case even more serious from the public point of view, as

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it implies that those most capable of remedying the matter are not acutely conscious of the necessity of reform or improvement.

It is equally clear from the Report that the Committee hold in high esteem the body of local government officers. They are not in the main concerned with criticism of their efficiency or devotion, but they do suggest that the present system of recruitment is not calculated to maintain the best service possible.

In the past thirty years (not to go back further) the organisation of life as a whole has become a much more complicated affair than it ever had been. The development of scientific knowledge and its application to human affairs, the mechanization of life, the speeding up of transport and communication are factors making for this greater complexity. Alongside, if not keeping pace with, these developments our educational system has grown. A far larger number of boys and girls continue their education into and beyond the adolescent stage. The educational system is far from perfect, but it is certainly improving. The systems of training for the professions and to some extent for industry and commerce are developing in extent and quality. The secondary school, technical and commercial colleges and the universities are playing a role of increasing importance in supplying recruits for the higher ranks of the nation's workers. The educational machine is selective in that the pick of the children in elementary schools go on to a secondary school; of these the most able remain until they are about 18 years of age and take a higher school certificate; and of these some of the ablest proceed to a university.

Whether the training given to these select upper groups is the best for any particular work is a question fairly to be asked. Various answers will be given. But whatever the answer the fact remains that the boys and girls with the best brains do tend not to leave school at sixteen.

Here we come to the crucial point. A certain number of technical posts in local government services are filled only by those who have undergone special post-secondary training. Take for example the medical officer of health, the surveyor or the engineer, the architect or the solicitor. Each of them is professionally qualified before appointment. But the bulk of administrative officers are recruited from secondary schools at about the age of fifteen to sixteen: that is they may or may not possess a first school certificate or be matriculated. Not a few authorities accept candidates even at fourteen years of age.

The argument in favour of this practice is the old one of catching them young. Get hold of your smart lad before his mind is set and if he has the right qualities of character and personality he

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will by a process of apprenticeship learn to become a better public servant than schools and colleges can ever turn out. So the argument runs. It is an argument familiar in other spheres. The majority of business employers hold the same view: not a few older followers of the law are saying the same thing regarding their articled clerks. It may seem to be an old-fashioned, conservative view and there are many educationists who are merely impatient when they meet it. But it cannot be brushed aside contemptuously.

In the first place it is absurd to suggest that our educational system is so well devised that it meets the needs of the community perfectly. But it is equally absurd to expect that it should be. The needs of the community have been growing and changing with astounding speed, and education (always starved financially) has had to struggle as best it might to keep up with the demand for entrants in the various walks of life. We are only on the fringe of the problem. After all it is but a short time since universal education was instituted in this country and only in this century did we set ourselves to organise a national system of secondary education. To-day, apart from university colleges, there are in England and Wales twelve universities; and of these half have received their charters in this century, and only three are a hundred years old.

A very great deal of thought, consultation and experiment will be necessary before we can feel satisfied that our educational system is adapted to meet the needs of the community. Unfortunately impatience and lack of sympathy are too prevalent. Employers of all sorts get young people unfitted for the jobs for which they want them. Their first inclination is to blame the school, college or university from which they come. In their turn educationists retort that the employer is a dull fellow who does not know what is good for him. The result is that friction and asperity prevail where sympathy and co-operation are vitally needed.

The fact is that the problem of training young people for the complicated civilisation into which we have plunged is so difficult that nobody knows how best to achieve this all-important duty to ourselves and the community of the future. If it is to be solved it will need the closest collaboration of educationists and those who employ the output of our educational system.

One thing however is reasonably certain, as we have already stated, that the ablest boys and girls tend to stay at school longest and to a less extent to go on to the university. Now a system of appointment which aims at catching recruits young is deliberately turning its face against the best brains of the rising generation. This must be wrong. The Hadow Report speaks strongly in this sense and states very justly " that the loss to local government if authorities

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continue to ignore the university and advanced secondary groups is correspondingly heavy. It is a complete contradiction to spend money on higher education, and to refuse employment to the boys and girls who profit by it."

Precisely the same problem faces those educationists who are trying to persuade business men to recruit from the universities. They feel with some justification that the business employer is short-sighted. It is doubtless true that if a diligent boy of good intelligence is taken into employ by a business firm or a local authority at the age of sixteen and put through the mill for six years he will at the age of twenty-two be a useful servant. Choose a boy of similar qualities, keep him at school until he is eighteen, send him to a university until he is twenty-one, and then take him into employment. After a year, at the age of twenty-two, he will probably be less efficient in his particular job than the first lad. And to make matters worse, especially in the eyes of a commercial employer, he will have more ambitious views regarding his status and salary. If that were the whole story the moral would be clear: but the story has only just begun. Every business and every administrative department needs a number of servants who will go on through youth into middle age as faithful and efficient routine officers; but in ever-increasing numbers our modern needs cry out for those who can think, who can face the difficult problems of this difficult age when the scale of operations is so different from what it was even a generation ago. The test of the system of training and recruitment comes, say, in ten years' time. At the age of thirty-two which of your two young men is the better fitted to take the responsibility that must be taken in a dozen different ways in every commercial and administrative organisation. It is fairly safe to say that the man with the profounder basis of general knowledge, with the richer cultural background, with the mind more practised in the art of thinking will be the officer to help the captain in emergency and crisis.

Nevertheless it would be vain to suggest that the output of the advanced secondary courses and the universities is perfect. Educationists, like other people, are conservative. Naturally, when there is so much in our educational system worth conserving. They must however recognise more thoroughly than they do that their function is to serve the country as it is to-day and to provide the workers for the community of to-morrow. Our system of education is better than it has ever been, more flexible, varied and adaptable; but it needs to be improved still further to make it a more perfect instrument of modern civilisation.

It is of the first importance that our secondary schools and *a fortiori* the universities should preserve the highest academic ideals

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and practice; but at the same time they must remember that academic ideals are not an end in themselves. The end is the human product; and if schools and universities are concerned with standards apart from the human material which it is their high duty to prepare for life they are but sterile institutions.

The problem therefore is twofold. First local authorities must realise that by neglecting the output of the higher secondary courses and the universities they are shutting out the most gifted boys from the administrative posts in their service. Secondly our educational system must face the criticisms which are made by the employing bodies. A particular duty lies on the universities, which are especially suited to provide recruits who may rise to positions of administrative authority and responsibility. It is incumbent upon them to take stock honestly and intelligently, and determine whether they are giving the best kinds of training to such young men. If the problem is solved it will only be by close collaboration between educationists and those who are familiar with the needs of local government.

That a solution can be found is indicated by the example of the central government service. It is the established and well-known practice for the administrative branch of our Civil Service to be recruited from the universities. One means to this end is a system of selection through examinations conducted by the Civil Service Commissioners. This touches on another aspect of the Hadow Report which leans to the opinion that an *ad hoc* examination system may be desirable for choosing entrants into local government services.

A further knotty question is whether the best kind of training for an administrative career is to be found in the curricula of existing university degrees or whether a special course designed for the public administrator is desirable. Here opinion is sharply divided; but argument on the point is apt to stray from the real issue. It is clear that the first desideratum is a first-class mind, or the nearest approach to that very rare commodity. Such may be found with the attachment of a first-class degree, say, in classics, mathematics or philosophy. On the other hand a man with a much inferior mind may have taken a degree of lower class in some subject such as economics, law or even public administration which might be regarded as being more closely allied in its content with the work of an administrator. The strong probability is that the former is the better recruit. But to go further and say that the nature of the university curriculum is of no consequence is quite illogical. Public administration is increasingly more complex and calls more and more for a special technique. It would be patently absurd to prefer a first-class mathematician to a third-class bachelor of medicine as one's medical practitioner, or to pass over the rather poorly qualified lawyer and

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leave it to a first-class divinity man to make your will. Public administration in its higher ranges calls for technical expertness and surely it must be of value for the entrant into the profession to have studied on relevant lines. This must not preclude the cultural subjects which make for a liberal education and thus for a supple mind. We do not want to see the public administrator trained as a mere technician. The introduction of Public Administration into the universities would be a tragedy if it led to a narrow technical course such as that which is given to our students training in medicine or engineering. Even they are not full trained as doctors or engineers when they gain their university qualifications. Only when a man has had some years of post-graduate professional practice is he a really qualified doctor or engineer. So it is only the first stage towards training a public administrator that can be attained in the university course. However it is surely possible to make the first stage of greater or less usefulness, in the best and fullest sense of the term, by a wise or foolish choice of subjects to study. It is ridiculous to say that the nature of the university curriculum is of no consequence.

This is a large problem and much thought and experiment are needed before it can be solved. Already valuable experience has been gained and it is only reasonable to expect that in the future the best of those who aim at entering on a career of public administration will not merely begin by taking a university course but will take a course of which the content is relevant to the profession they have in view.

An independent committee representative of civil servants, local government officers and university teachers, under the Chairmanship of Dr. W. H. Moberly, has recently been considering the question of the relationship of university teaching to the subject of Public Administration and it is fortunate that the publication¹ of its Report should synchronize with that of the Hadow Committee. Its appearance is evidence of the widespread concern felt in this most important problem of securing the highest standard of service for the public through local government.

One point that is clear is that for a long time the bulk of university teaching will be given on the part-time method to local government officers who are already in their jobs; and a considerable body of opinion leans to the view that men who are practically familiar with the everyday problems of local government are better students for courses in Public Administration. That may well be, but if the history of recruitment in other professions is of any relevance there will be an increasing tendency for those who aim at the higher local

¹ PUBLIC ADMINISTRATION, April, 1934.

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administrative posts to be trained on a system of which whole-time university study is the pivot. It may be also that the practical side will be closely correlated with the theoretical, as it is for a young man training in engineering, medicine, dentistry or the law. But the decay of the apprenticeship system is apparent in every trade and profession: with the growth of our educational facilities it is tending inevitably to be replaced by institutional instruction in which practical and theoretical training are related and balanced. The institution may or may not provide the practical side itself: it may utilize the facilities of a hospital or a factory. It is to be expected that the universities will develop schemes of training which by co-operation with local authorities will provide not merely theoretical but practical training in the processes of the profession.

This result will not be immediate and before it comes into being there will probably be a differentiation of the administrative and executive grades of local government officers as there is in the civil service. This will not come without a struggle and powerful interests will be ranged against any such change. One must recognise that such a step would be fraught with real danger of which the chief would be that of seeming to rob the lower grades of the chance of the richest rewards. This is however illusory. In the first place there must still be a bridge whereby merit can pass from the executive to the administrative grade. In certain departments there is at present a close professional ring round the upper posts. No clerk can hope by a mere process of promotion, however efficient he may be, to become a medical officer of health or a city engineer. And probably the day has gone when a clerical member of an education department can climb to the directorship. In certain departments it may however still be possible for the ranker to become a general. Yet are those departments therefore staffed and organised more efficiently than the rest in which the richest reward cannot be hoped for by the boy who comes in at sixteen?

This raises a further issue on which there is a diversity of opinion. There are those who hold that in technical departments there is no reason why the administrative head should be technically qualified. It is the view of some that whilst there must be an engineer and a medical officer of health in charge of the technical side of the work it would be more economical not to occupy his time with organisation but to put a pure administrator in charge of the department. The relations of the two would be difficult, but not impossible, to define. Similarly there is a growing opinion that there is no inherent necessity that a town clerk should be a lawyer. It was clearly advantageous in earlier days, but now that a town clerk's duties have become so largely administrative it might be better to choose him for his

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capacity in that field and give him a staff which includes such legal advisers as he needs.

There can be no doubt that in course of time, later if not sooner, the method of recruitment will become more selective and there will be an intake from different stages of the educational system. This is bound to lead to a new system of grading in the services.

It need not be feared that such a process will be unfair or undemocratic. Democracy demands a recognition of differences and grading, but the grading must be based on worth and not on social accident. As our educational system is extended so is there an extension of opportunities for the development of talent. A wise and efficient system of managing the affairs of the nation, whether in commerce, the professions, the civil service or local government, must be based on the principle of recruiting the best men and women, with the most highly trained capacity, for its posts of leadership. How to do that is the vital problem and the Hadow Report is a valuable commentary on the present system and a helpful guide along the path to reform. Local government officers, members of public authorities, and even more especially the public at large will do wisely to study the Report and resolve to take the problem in hand without delay.

Some Observations on the Hadow Report

By NOEL B. RUDD, MA.
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*[Paper to be discussed at the Summer Conference, Cambridge,
June, 1934]*

THE Hadow Report on the Qualifications, Recruitment, Training and Promotion of Local Government Officers is a report which should be carefully studied by members of local authorities and local government officials. Its range is very comprehensive and in making some observations on the Report it is not possible to deal with all the points mentioned therein.

Establishment Committees

It appears to me that one of the most important recommendations is that dealing with the appointment of an Establishment Committee in every local authority. In this connection the Report does not state whether the proposed committee is to be concerned with the staff to the exclusion of other committees of the council, or whether it is to be mainly a co-ordinating committee receiving recommendations from other committees. Perhaps this point was deliberately left in the air, but my view is that it is not practical under the existing local government system for an Establishment Committee to deal with staff on the basis that the employing committees have no voice in the matter at all. When a committee of the council is carrying out certain work on behalf of the council such committee will not be prepared to hand over to another committee of the council the selection and control of the staff which is responsible to them for such work. I think myself that a central committee is essential for staff matters, and in my City such a committee has been in existence for the last 11 years, but this committee is in the main a co-ordinating committee dealing with recommendations from the employing committees, and the employing committees are not required to surrender their control over the staff concerned with their work. Differences do, of course, arise from time to time between the Establishment Committee and the employing committees, but these are settled by discussion with the Chairmen and Vice-Chairmen of the employing committees, or, if necessary, by reference of the question to the General Purposes

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Committee which is a committee of the whole council. The Establishment Committee serves a useful purpose, as, apart from the ordinary questions of appointments and salaries of the staff which are the subject of recommendations from employing committees, other questions are considered either on the initiation of the Committee or on reference from other committees of the council. Matters of this nature considered recently include:—

Scale of allowances—motor cars, &c.

Pupils to Chief Officers.

Publicity as regards salary and promotion.

Overtime payments.

Retirement of female employees on marriage.

Medical examination of employees after 12 weeks' continuous absence.

Co-ordination of architectural work.

The advantage of a central committee is also emphasised by the fact that it renders possible the establishment of a Joint Staff Advisory Committee composed partly of members of the central committee and partly of members of the staff. This enables the staff to meet the members of the local authority in a frank discussion of such matters as scales of salaries, consolidation of salaries, and the recommendations of the Hadow Report.

In my view it is better that all questions affecting staff should be considered by the Establishment Committee, even if in a good many cases the consideration may be a formality. If general directions are given to employing committees and they deal with matters on their own there is a danger that some important point of principle affecting the staff as a whole may be missed and the effect is that full co-ordination is not achieved. Co-ordination also does involve some measure of control, as without it recommendations would become a formality and each committee would act according to their own views. Much, however, can be done by tactful persuasion in getting employing committees to take a broad view of matters affecting the staff as a whole, particularly if the Establishment Committee are disposed to give careful consideration to the employing committees' aspect of the matter.

With regard to the questions which the Hadow Report suggest should be referred to the Establishment Committee, I would make the following observations:—

1. The organisation of recruitment. I am not clear as to whether it is suggested that the Establishment Committee should consider the authority's requirements for staff over a period. If so these are frequently related to legislation and it is not possible to say what the requirements are until the legislation is in force and the local

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authorities are required to administer it. I think the staff requirements arising out of legislation are best considered by the committee which has to carry out the work. If the annual requirements of local authorities in the matter of staff were more or less constant it would be possible to ask the employing committees as to the staff required during the year. Apart from legislation, however, no one can say what vacancies are likely to arise through officers leaving to take posts elsewhere. Without further explanation I do not appreciate what is intended under this heading.

2. Appointment of Officers. I do not see the necessity for reporting all appointments to the council, and this is only necessary in the case of senior officers or in the case of appointments arising out of a change of policy. While I think the proposed terms of appointment should be submitted to the Establishment Committee, I think the actual selection should be made by the employing committee. For instance the appointment of a Water Engineer is best dealt with by the committee responsible for and conversant with the requirements of the water undertaking. The Establishment Committee is only concerned with the terms of appointment and the relationship between the terms and those of other principal officers of the authority.

3. Training. The committee might take some action under this heading although members of local authorities are not very interested in the training of their officers. Of course systematic training is carried out by the various professional societies but it is assumed the training referred to here is the training of non-technical officers.

4. The other matters suggested as subjects for the Establishment Committee, namely, arrangement of transfers, periodical review of staff, promotions, grading, salary scales, superannuation, probation and discipline are mostly matters which would normally be dealt with by this committee.

Qualifications of Principal Officers

Another question of importance referred to in the Report is the qualifications of principal officers. It is quite true that administrative ability is of prime importance in a principal officer, but I am afraid the Departmental Committee have selected the Clerk as the officer not requiring technical qualifications because they consider it is the easiest case to argue. In point of fact administrative ability is just as essential, if not more essential, in the case of an officer who is responsible for expenditure than one who is not. The Committee say with regard to the Clerk that "insistence on a legal qualification has the disadvantage that it excludes from the principal positions in local government persons of high administrative ability whose experience has been gained in other work." It would be rather interesting to know what the Committee had in mind when they were

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talking of experience in other work and where the persons of high administrative ability are to be found. Dr. Robson in his very interesting book on the Development of Local Government suggests that the general manager of a railway might be appointed as town clerk, but I hardly think it is realised that to be a town clerk one must have had experience of local government work. Personally I think a railway manager would be just as much at sea in carrying out a town clerk's duties as a town clerk would be in acting as a railway manager. I cannot believe this is a serious suggestion unless it is imagined that a town clerk's position is so simple that it requires neither experience nor training. It is not essential by law for a town clerk to be a solicitor, but the fact remains that solicitors are almost invariably appointed. One reason is that the town clerk is responsible for all the legal work of the council although he may not carry it out personally. If a town clerk were not a solicitor it would mean employing a person of this profession to be responsible for the legal work and the salary would have to be commensurate with the responsibility. The paragraph in the Report relating to other principal officers expresses the view that "well qualified professional and technical officers of high standing should be employed, and we doubt whether authorities could in practice afford to pay two sufficiently good salaries in each department." But this doubt does not seem to exist with regard to the clerk, and if the Committee imagine that the responsibility for the legal work and staff can be undertaken by a person at a moderate salary I do not think they quite appreciate the responsibility involved, particularly in the case of any large local authority.

Apart from the problem of the responsibility for the legal work, which I agree is not insuperable, there is the question of the qualifications for the position of town clerk. A legal qualification does at least provide a standard. Clerks to urban and rural district councils have (and clerks to guardians had) no particular standard in the sense that any particular professional qualification is usually required, and while the holders of these offices are highly respected for the work they carry on, I do not think it would be suggested that they have the same status as a town clerk. If there is to be no legal qualification for a town clerk then some other qualification is necessary and it should be something more than an educational one.

Assuming that the qualification is settled, it is necessary to consider how a future occupant of a town clerk's position should be trained. It would be quite impossible to thrust a person into the office of a town clerk without any previous training. At the present time in the larger boroughs there is invariably a deputy town clerk and assistant solicitors who are training to be town clerks, and presumably the Departmental Committee regard that training as unsuitable. It

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is not very clear, however, what are to be the stages to a town clerkship under the proposed method. Would the procedure be similar to that of district councils? Is it suggested that a committee clerk, for instance, should be appointed town clerk without serving in any intermediate grade? I think this is an important consideration. Control of staff is of course an important factor in any training, particularly if the nature of the control involves the delegation of duties. A principal officer who tries to do everything himself and has not the facility of getting others to work loyally under his supervision is not likely to be a successful administrator. The present system does at any rate provide for recruitment from persons who are accustomed to control staff. The only logical outcome of the Departmental Committee's observations is for duplicate responsible positions to be created in each department, and this means additional cost. Apart from the cost it is difficult to see how it could be justified on the basis of the amount of responsible work required to be done. If the purely clerical work is separated from that of the administrative type, as it should be, I think there is some scope for better paid posts for non-technical officers, and committee clerks for instance are by no means overpaid having regard to the responsible work they do or should do. But the combination of administrative and professional duties at a certain stage of the officers' career limits a development of this nature to any great extent.

Recruitment

This leads me to another question raised by the Departmental Committee, namely, the age at which officers should be recruited. It is suggested that recruitment should be approximately at the ages of 16, 18 and 22 so as to comprise school certificate, higher certificate and university degree candidates. I think this is a sound proposal and as it gives an opportunity to different grades of education, and the two latter are largely excluded under present conditions. This is particularly noticeable on the accountancy side, and it would be interesting to know how many treasurers or accountants entered the profession at the university age. Of course it by no means follows that the two latter grades are more able or will be more successful than the first mentioned grade, but I think they should have an equal opportunity and not be excluded. But it is quite certain that if the best of the higher certificate and university candidates are to be encouraged to enter the service the prospects must be made more attractive both financially and otherwise. The reference by the Royal Commission on Local Government to the discussion of salaries in public indicates one factor which is detrimental. Another is the dislike of having to work for committees, but as this is an inherent part of

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the local government system it is a factor which must be accepted. In any case councils vary in their outlook and administration, and difficulties in dealing with committees are often due to the fault of the official and not of the committee. Generally speaking an efficient official should be certain of reasonable and fair treatment at the hands of a committee, and although I have no experience I should imagine that even boards of directors could be quite unreasonable.

Miscellanea

There are other points in the Report but it is not possible to deal with them all. I might, however, mention the somewhat thorny question of article pupils. Personally I see no objection to taking pupils without fees, but it must be borne in mind that the terms of appointment of many chief officials provide for the retention of fees by them. If this privilege is to be removed then some recompense should be given in the matter of salary. The usual practice in many professions is for fees to be paid for articles, and the Departmental Committee are in favour of professional persons coming into the service from outside who have of course already paid fees for articles. This attitude seems a little inconsistent.

The Departmental Committee also recommend that the selection of the pupil should be subject to the authority's approval, but I am somewhat doubtful as to whether a proposal of this nature will not lead to undesirable pressure in some cases. In fact the Committee themselves rather suggest this is so with regard to applicants for positions under local authorities. Also it is questionable how far committees are qualified to judge of the fitness of a person for a particular profession. The local authority have control over the recruitment of their staff and a pupil is not in the service of the local authority. If a pupil applies for a position in due course the local authority need not appoint him. In fact I think it is undesirable for a pupil to take service with a local authority of the place where he has served his articles.

One of the most important considerations arising from any reorganisation of the Local Government Service is the varying sizes of the authorities. Until the time arrives, if it ever does arrive, when local authorities are more nearly equal in sizes and functions any common policy with regard to the Service is unlikely. No one would suggest that any organisation is so satisfactory that it cannot be improved and constructive criticism is a good thing, but the facts must be borne in mind. It may be of course that the tendency will be towards larger areas of administration, although in my experience joint boards composed of representatives of various local authorities are not entirely satisfactory, and I am doubtful whether there will be much development in that direction.

The University Graduate in the Local Government Service

By HERMAN FINER, D.Sc. (Econ.), Lond.
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[Paper to be discussed at the Summer Conference, Cambridge,
June, 1934]

THE following are the main contributions of the Departmental Committee on the Recruitment of Local Government Officials to the problem of University Graduates and the local government service:—

(1) "It seems to us that in the local government service, as in the Civil Service, the system of recruitment ought to be adjusted to the educational system of the country, and that local authorities should draw regularly on each of the recognised educational classes above the minimum age we recommend—on the advanced secondary group and on the university group By failing to do so, authorities are practically excluding from their service some of the ablest men and women in the country, and in view of the nature and extent of their responsibilities they cannot afford thus to narrow the field of recruitment. A large proportion of the ablest children continue their education beyond the age of sixteen, especially in these days of numerous scholarships and maintenance grants, and the loss to local government if authorities continue to ignore the university and advanced secondary groups is correspondingly heavy. It is a complete contradiction to spend money on higher education, and to refuse employment to the boys and girls who profit by it Moreover, it cannot be seriously suggested that additional education between the ages of sixteen and eighteen, or later at the university, is not valuable in the office of a local authority"

(2) "We are in this dilemma. Either the entire educational system of the country is mistaken, or local authorities ought to be drawing systematically on the universities."

(3) "Nor is it solely a question of natural ability. The value of the university education as a preparation for administrative work cannot be denied. Advanced study supplies a background of know-

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ledge, develops powers of judgment, accustoms the student to handling documentary material, trains him in the presentation of cases. These are all necessary qualities in a public office, and make an excellent foundation on which to build the practice of administration. This has for many years been recognised in the Civil Service, and the bulk of their higher administrative staff is drawn from the universities. It is significant also that large business undertakings are taking graduates on to their ordinary staff."

(4) "We suggest that the case for bringing graduates into the local government service is so strong that the practical difficulties must be overcome . . . the larger authorities, employing some hundreds of officers, should in fact have no difficulty in placing a small number of untrained graduates."

(5) "We recommend that the larger local authorities should make arrangements for introducing graduates with no technical qualifications into the ordinary staff of the office. We think it neither necessary nor desirable that they should be placed on a privileged grade. They must, however, have a reasonable opportunity of rising to the highest positions if they prove suitable. In due course it must be made possible for men and women of proved ability to sit for any technical examination necessary for promotion. The initial salary is also a problem. Authorities will have to pay for the qualification as a graduate, notwithstanding that it is not a technical qualification. This will be a matter for adjustment, regard being had to the salaries paid in comparable employments."

"It may be argued that the introduction of graduates must diminish the chances of promotion for younger entrants. We agree. Our whole argument is that graduates if well selected will justify their right to promotion. But we cannot think this any reason for their exclusion. Here again systematic arrangements are required; and the proportion of graduate entrants to any one local authority must be carefully regulated in order that the opportunities for other officers are not unreasonably blocked. We wish further to make it clear that we do not suggest any preferential treatment for graduates, or that a proportion of the higher posts shall be reserved for them. Once in the service advancement must depend on proved practical ability in the actual performance of work, at whatever stage the officer has entered."

These are the main points made by the Departmental Committee. On the whole I am in agreement with them, and I may claim that in the past few years I have contributed towards the examination and solution of this problem. And yet I feel that the propositions of the Committee lack a firmness of touch. It may be that the members were not in spontaneous agreement; or that, in view of the forbidding

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attitude of the representatives of the local authorities and the associations of officials, they felt it politic to speak mildly. It is also possible that their conviction was not very profound; that they were doubtful of their own theses, suspended between a recognition of the hard realities of the local government service and a desire to find openings for university products and to vindicate the value of a university education—see, for example, paragraphs (2) and (3) quoted above. Whatever the cause, and it is not merely in the drafting, there is lacking in the Report a sense of the harshness of reality itself. This is principally shown in the lack of a clear firm analysis of the proposed situations and their specific duties in which university graduates would render especially good service. However, the extent of my agreement and disagreement with the Report will be seen better from the paragraphs that follow.

I start out from the proposition that university graduates have no inherent claim to anything, whether on the grounds of their natural ability or what they have learnt in their three or four years at the university. Whether they shall receive any consideration for a local government position must depend entirely on their specific fitness, immediately or in a not too distant future, for it. Each man, in other words, has to prove his own individual claim to the job he seeks, up to the hilt. Local government jobs are not school prizes to be given and received in an atmosphere of general good feeling: they are specific jobs to be done for the community. They are, in any case, paid for, not by the university which may be happy to see its graduates provided for, but by the community, whose interest it is, quite properly and before all else, to secure the best possible return in relation to the money it is called upon by its council to spend. Just as recent critics quite properly deny the inherent right of the technical chief of a department to be its administrative chief, on the ground that technical qualifications are not necessarily the index to administrative capacity, so might we begin with the possibility that the university graduate may be more useful than any other candidate; but that possibility is only a possibility, to be closely examined in each specific case in relation to the job and all the other competitors for it. It is particularly weak, when educational theory and social philosophy are more and more recognising the *non-vocational* motives in continued and university education, to use the old argument about the correlation of the educational system and the public services, in so emphatic a fashion as in paragraph (2) as a way to open the road to a job. The first thing is administrative capacity—or its authentic promise—existent and proven. This is the burden of all I have to say, for the question is not whether we ought to provide outlets for university men, not whether the educational system of this

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country is flattered or not by the proportion of its products in the public service, but whether, in actual fact, the men can do the work society needs. This, I think, should have been put much more strongly than the Committee put it. It should have been the point of departure. The first duty of an Inquiry or a Royal Commission is to state the results of analysis in all their starkness; the business of *compromise* between policies is the affair of the interests concerned or the Government.

Our principle might have been their point of departure if they had remembered two things. It is possible to induce into the public services people who are too highly educated for their jobs, with a very great loss to private enterprise (which is also of importance to our national wealth), and with the effect of great discouragement and unhappiness to them in after years. There are many examples in the Executive and Clerical Grades of the Civil Service.

Secondly, considerable regard must be had for those who begin in the lower ranks. We cannot exactly *measure* the effects of their disappointment at being excluded from the top ranks, or at finding that though they have the ability to cope with their job as a result of years of practice and part-time study, an *a priori* value has been attached to the qualifications of other entrants. But there might be a discouragement to enter the service; to make of it, once entered, a life career; and to take all the steps, by hard work in and out of the office, to fit one's self for promotion. This consideration has not been absent from the calculations of the central Civil Service, and in fact, more and more opportunities have been given, quite rightly, for promotions from the lower ranks into the Administrative Grade of the Service. And I think it is generally held that in a "closed" non-competitive industry, like the public services, one should provide more of these opportunities of promotion than in private industry—a greater number than are technically necessary in a narrow view of the duties of the service, in order to provide the stimulus of hope, and therefore to keep the middle ranks fresh, aspiring, ambitious, striving and creative.

Now let us descend to some particulars.

It is obvious, as the Report remarks, that the number of places available for graduates must in the best of cases be small. I suppose that it is not to be expected that authorities with a population of under 50,000 have any room for a graduate—that leaves about 200 authorities. I suppose that if all the 200 decided to have graduates, giving an actual average of one graduate per authority, this would be as much as could be expected. In the beginning these opportunities would be treasure trove for the university men, with unlimited opportunities for employment! But once the system was in working order,

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how many vacancies per year could be expected? The central Civil Service with an administrative grade of about 1,200 calls for an annual recruitment by examination of 12, that is, about one per hundred. It certainly does not look as though, in the nature of things, the university graduate can expect a golden future.

It must be remembered, also, that technical officers are not without administrative capacity. There is no law of nature which deprives a technical officer of administrative qualities with the same fatality as a university education seems in the opinion of some thinkers to guarantee it. Such officers will be the necessary competitors for the vacancies mentioned above.

The university graduate may promise a greater efficiency than his competitors from inside and outside the service, but if his status requires a larger salary the extra amount may not be worth his extra quality.

All this discounts the probability that a great new field of opportunity awaits the graduate, and that the local authorities have hitherto missed something of priceless worth. Now, three arguments in particular, have in my opinion, I will not say misled, but distorted the perspective of, the advocates of the university graduate in local government.

There is a vague notion that somewhere on the Continent the university graduate is given a greater welcome in the local government service. It is true that more university graduates go into the local services abroad than in England, but it is mainly due to the fact that Continental legal education and examinations are university affairs, and not the business of the Inns of Court. Hence, when the Continental local authority wants recruits, say, in the position equivalent to that of Town or County Clerk, it turns not as we do, to solicitors or barristers, but to their equivalents, the men who have graduated in law. There is one important difference, of course, and that is that the Continental law degree is a degree in jurisprudence as well as in the bare substance of the law, and jurisprudence, especially when taught by the right type of teacher, is a mental training of the very best kind as a preparation for the work of administration. Those who have, in this country, strongly advocated the recruitment of university graduates have not seldom shown themselves to be intemperate critics of the selection of Town and County Clerks from the ranks of the law. Would their criticism be modified if law teaching were transferred from the present professional bodies to the universities, when lawyers would necessarily possess a university degree? The important thing, of course, is that the appointments committee should keep its eye on the potential administrator, whether he has a legal training, a technical training, or comes from the university

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with a degree in Botany, Greek Literature, Mathematics, or Economics and Political Science.

The second argument is that business-firms recruit graduates. This is true. But a good many of them enter, surely, as statistical and economic advisers. Others enter not so much because their superior capacities are evident, as because there are social or family connections which furnish them with the opportunity and employers with the obligation. And, then, the important thing about private business is that there is not so much reluctance in asking a man to resign if his university promise is not fulfilled in the course of his work. The business is in competition with others, and it will be severely on the track of anybody who lets it down; and if, for social or personal reasons, it is not ruthless, then the owners of the firm get less profits than they might otherwise do. If they wish, they can afford the luxury of retaining a pleasant clubbable fellow who is incompetent compared with the standard of living he expects—but then they will be spending their own money. In the public services it is other people's money which is being spent, and it ought not to be spent except for full value received. I really think that before using the argument that business is taking graduates into its service the public which reads government reports should have been provided with a much more careful analysis of the experience, and a survey of the detailed evidence.

Thirdly, the practice of the Civil Service is paraded at length, which was to be expected. But are the heads of the Civil Service themselves satisfied with the system first projected by Macaulay? One Permanent Secretary after another came before the Royal Commission on the Civil Service and admitted in evidence that for *his* department, the work of which was involved rather more than that of other departments, something more than the fresh, eager young mind from the university was required. If possible the entrant should have had some experience elsewhere! I do not wish to be misunderstood; I hope it will not be believed that I am in favour of filling the administrative grade merely or mainly by promotion. But I am anxious to suggest that any uncritical faith in the rich and inherent qualities of the graduate *qua* graduate is misplaced: I have for many years been a university teacher.

Moreover, I should be very severe in my scrutiny of the testimonials presented by the candidate. Teachers are not as severe with their students as employers have the right to be in their choice of servants. I would, as a member of a local government appointments committee, treat the tutor's reports with respect—and reserve; tutors, to their honour, are sometimes promiscuously kind. If the candidate came from the Civil Service Commission, I would disregard the marks given for the *viva voce* and undertake my own *viva*, with my mind

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directed to the special type of work and personal contacts characteristic of my local authority. Finally, I should examine very carefully the appropriateness of the subjects taken in the university or Civil Service examination—they can be and are often very remote from the administrative work of a local authority. They often fit men to be perfect scholars in a narrow field to be tilled in a corner of a library secluded from mankind, except for the shadows thereof in books and manuscripts—"the world forgetting by the world forgot." But administration is the management of men, it is action, it is presence of mind, it is prompt resourcefulness. We have all been a little too easy in our belief that the Civil Service method is sufficiently near to the ideal, in its doctrine that those who competitively excel their fellows have the intellectual power to acquire the technique once they are in their job, and the moral qualities, also, necessary to put it into practice (for that was Macaulay's argument). What, after all, did Government do, in the time of the Macaulay-Trevelyan Reforms, now nearly a century ago?

Allowing for these points I should say that all vacancies should be open to everybody. The local authorities will not be doing justice to their electors unless they take steps in good time to notify whatever central authority is created that there *are* vacancies in the higher ranks. I would let university graduates compete for any vacancy, even the office boy's if they wished to do so. It would be a good stimulus to those already employed and hoping for promotion—they would know that the job would not be theirs merely by default and seniority. But I would have no prejudice in favour of the university man. I should want decisive evidence that he was going to be worth his money, not as an educated man, but in the job which required filling. The State is rapidly becoming a nation-wide business; and, as its servants it needs men of business. Any promising youngsters already in the service ought to be helped by the authority to become a university graduate, of course. I would not offer as a starting salary to the university graduate anything over that which would be given to a youth reaching the situation by promotion; but I would give generous increments after a severe probation had shown that the recruit was worth them in terms of his productivity. The probation should be very severe. The established graduate should be given the opportunity to acquire any technical qualifications necessary to his advancement and service.

The general conclusion, then, is, open all the jobs in the service to all the graduates, without prejudice in their favour or against them; but in their selection let them face the full competition of those already in the service, the test being the candidate's specific capacity for doing a specific job.

Incentive

By W. D. SHARP

[*Paper first read to the Sheffield Group of the Institute, and to be discussed at the Summer Conference, Cambridge, June, 1934*]

I SHOULD like to take as the text of my sermon a few words from Mr. Baldwin's address to this Institute last October:

The permanent problem remains. How are you to surmount the drawbacks of security, routine, and a pension by devices which act as incentives . . . ; how send fresh currents of energy circulating through the administrative body from the central power-house of public opinion?

To put the problem in another way: how can the worker be induced to give of his best to the organisation of which he forms part, under the conditions of security and routine? There is another side to this problem, namely, how can the worker get satisfaction out of his work under such conditions? It is certainly a big assumption to suppose that the efficiency and the satisfaction of the workers always go together: but I am optimistic enough to believe that in the long run they do; and when in the short run they seem to be inconsistent, I should prefer satisfaction to efficiency.

You will notice that Mr. Baldwin refers to security and routine as drawbacks; and there is no doubt that under such conditions the traditional incentives operate less strongly. How far are these conditions peculiar to the Civil Service? Routine is an inevitable feature of large organisations, and I am not at all sure that there is more routine work in the Civil Service than in other large-scale units. But there is certainly more security, and there is less scope therefore for those two main motives which are supposed to actuate the old industrial system—namely, the hope of gain and the fear of loss. But I suggest that these motives were never so all-sufficient as is commonly supposed. Was it purely the desire for profit that inspired Lever, Lipton and Pierpont Morgan? Was it not just as much a sort of self-assertion, a longing for power, and sometimes even a wish to pull off a particular transaction—almost art for art's sake? If we turn to the commercial traveller, paid wholly or partly on a commission basis, it is doubtful whether the commission alone is a sufficient incentive to good salesmanship; a man must have some belief in the virtue of the goods he sells. Many things combine to make the profit motive

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less potent in the modern world. Fortunes may yet be made by the discovery and exploitation of new demands (though the incentive to build up fortunes is greatly weakened by sur-tax and death duties); but the social conscience will no longer allow the primary products to be at the mercy of unregulated profit-making. It is likely also that as industry groups itself in large units, the producer will succeed increasingly in controlling his own distribution, and there will be less and less scope for the middle-man's commissions.

I wish we could feel equally sure that the motive of fear is passing. Fear certainly does not make for contentment, and it frequently fails to make for efficiency. When workers may lose their jobs at the caprice of their chiefs, or through a shortage of demand over which the workers have no control, or through a change of policy on the part of the management, the general policy of insecurity must needs make for bad work. But it would be quite possible, and is no doubt fairly common, to harness the fear-motive to efficiency, provided it is made clear that the worker's chance of keeping his job depends on efficiency alone, and provided that efficiency can be objectively measured. It would be specially easy to adopt such a policy at the present time when there is an enormous labour market to draw upon, and the craftsmanship that is based on long specialised experience is losing its former value.

And yet the tendency seems to be, especially in trades which are sheltered from competition and where the demand for the service or product is more or less constant, to provide security for the workers, even at some possible cost of efficiency. The banks and the insurance companies are good examples. No firm which has gained a reputation of providing security for its workers and bases its recruitment on that reputation, can lightly afford to throw that reputation away.

This brings me back to the Civil Service. You will not need to be convinced that there is very little scope for the profit-motive in the Civil Service; nor throughout the greater part of the Civil Service, the established classes, is there much scope for the motive of fear. The Civil Servant's security of tenure rests on custom and not on contract, and it is conceivable, therefore, that at some future time the fear-motive might be introduced. It is hardly likely; for the efficiency of a great part of the work in the Civil Service cannot be objectively measured, and without such objective measurement fear is not an instrument of efficiency, but quite the reverse. In mechanical work greater output may no doubt be obtained through the motive of fear; but anything in the nature of thoughtful work is bound to suffer from it.

What incentive remains? There is first and foremost the tradition of honest work for its own sake, that sheer force of habit that makes

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a man do good work because he hates to do bad work. This tradition is, of course, no monopoly of the public services, but it is surely not boastful to claim that it is reasonably well developed there. The recruit who has been to a university has probably gained the tradition even before he enters the service; he gets a definite satisfaction from solving an intricate problem of mathematics, or from finding the right turn of phrase for rendering into Greek a passage of Burke. When he enters the service, he finds plenty of problems around him, and gets the same sense of mental satisfaction from solving them. He has also the additional incentive that comes from the fact that he is dealing with work that can be described, with just a touch of complacency, as being of national importance.

Thus we have definite incentives to industry and zeal, and those pedestrian but valuable qualities are fortunately common in the public services. Our problem is how to keep these incentives alive in the midst of dullness and monotony, and how to direct them to the right ends.

I will not speak of work that is wholly monotonous and uninteresting. Such jobs probably exist in the Civil Service, but they are fortunately not very common; and many people who would describe their work in that way are really describing their own state of mind. But even interesting work contains elements of drudgery: most of us entered the Civil Service by examination, and became used to such elements as necessary steps in the acquisition of worth-while knowledge or the solution of worth-while problems. A certain amount of drudgery need not destroy our incentive, provided we recognise the end to which it is directed, and can identify ourselves with that end.

There comes the rub. A brilliant university scholar may become an indifferent civil servant through failure to recognise what the new problems are and under what conditions he has to handle them. Even though he has acquired special powers of assimilation, he is often hindered by insufficient training from properly understanding the work and technique of his department. He may retain the outlook of an amateur; and there is little room nowadays for the amateur in administration. And even though he understands the subject-matter of his work, he may still handle it in a way which, without disrespect, may be called academic. The problems with which he dealt at the university were for the most part clearly presented to him, and their solution usually required hard intellectual effort. The problems that arise in administration are often not clearly presented: a man may read the papers assiduously from the bottom file to the top and not discover what the problem is; he may even come to the conclusion that the only problem is, how to dispose of the registered papers, and in course of time he finds several easy ways of solving that

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problem. He will get very little intellectual satisfaction from the solution. The object of thought at the university is truth; the object of thought in the service is action. The difference is excellently brought out by Professor Gray in a paper read before this Institute in 1929; after experience as a civil servant and a professor, he writes: "The scholarly civil servant will not necessarily be a successful civil servant; indeed, I would rather say that the presumption was the other way round."

I have talked possibly at undue length about the university entrant. From the point of view of incentive he enters the service with some advantages over his fellows, but with the disadvantage that his "native hue of resolution" is more likely to be "sicklied o'er with the pale cast of thought." If we consider the man who entered the service in its lower grades, logic would lead us to suppose that the incentive of work for work's sake, being the less firmly established, would be the more quickly lost, especially in the conditions of comparative monotony in which he often has to work. But abstract logic, that makes no allowance for the tricks of human personality, is an unsafe guide in these matters. The new entrant may have luck in being given responsible work quickly; or even without such luck he may be saved by some quality of faith and hope within himself, or by the influence of some chance companionship. The influence of friendship as an element in public administration can hardly be exaggerated; if you will pardon a personal note, I myself owe more than I can say to the influence of one of whom all who knew him speak with reverence. I refer to the late John Lee, Controller of the Central Telegraph Office and one of the founders of this Institute, who started work as a telegraphist.

So far we have discussed the civil servant in the early stage of his career: let us now consider his later progress. We will assume that he gets his increments one by one. He may find that promotion is far distant, but he gets the impression that it goes by seniority, and that if he only deals faithfully with his papers and avoids all heinous offences, promotion will come to him in his turn. In most cases his expectation is realized. I will not say that under such a system he becomes inefficient; but I will say that in such circumstances the incentives with which he entered the service may fail to save him from mediocrity. He may even count himself lucky if he contrives to gain in outside pursuits that intellectual satisfaction that he fails to gain in his work.

Let us approach the problem from another angle by considering the popular impression of the civil servant. There are at least two such impressions, and they are mutually inconsistent. There is first the "new despot," as drawn by the Lord Chief Justice. There are

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secondly those two pathetic figures, Dilly and Dally. The first picture is to my mind more flattering than the second: most people would rather be regarded as combinations of Machiavelli and Mussolini than as amiable dotards. But apart from the question whether either portrait is true to life, a cartoonist may be preferred to a Lord Chief Justice as a faithful mirror of popular opinion. Mr. Dilly and Mr. Dally (I cannot distinguish between them) seem to have no incentive—in fact, no human instincts at all save the instinct of self-preservation. They are certainly not efficient, as efficiency is commonly understood. And they give the impression of getting very little personal satisfaction out of their jobs, and certainly no thrill.

The "Dilly-Dally" portrait is, of course, over-drawn, but there is this much truth in it: that there is in the service an attitude of negativism. We lack the stimulus for action and we often exercise our mental powers in demolishing each other's arguments rather than in promoting the common cause. Every local official will testify to the diabolical ingenuity of Headquarters in devising a multitude of questions about unimportant details. Much good work done in the service is futile; and this futility is mainly due to the fact that our training, before and after our entry into the service, has done little to stimulate our energies towards positive action. Negativism of this sort gives one very little joy of work or pride of achievement, no more at best than "a gratifying feeling that our duty has been done." Under these conditions, our problems are not sufficiently difficult to give us the scholar's satisfaction in solving them, even if we have the scholar's temperament. Thus is caused a certain maladjustment, which may foster a latent neurosis and result in serious derangement. Leaving these extremes on one side, one may say that the normal state of the civil servant in middle life is well described by Swinburne:

"From too much love of living
From hope and fear set free."

I have talked so long about the disease that I have hardly time to suggest the remedies. In the first place I suggest that the choice of the particular Department to which a man is posted should be influenced, at least to some extent, by the subjects in which he has excelled in the examination. It is on the whole better to send a botanist than a historian to the Ministry of Agriculture and Fisheries. The suggestion seems obvious to the outsider but revolutionary to the civil servant. The present system is to give the widest range of choice to the man at the top of the list, and a diminishing range of choice to the lower candidates. The system is based no doubt on a wish to appear impartial; but from the point of view of real justice, I suggest there is nothing more unfair to a recruit than to condemn

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him to work for which his early training may make him fundamentally unsuited.

Second in order but first in importance I must emphasise the need for adequate training—not only in the actual work that the recruit has to do, but in the work of the organization of which he forms part, and in the subjects of academic study that have a bearing on that work. During the whole process the trainee should be kept under rigorous observation, and his future work should be determined as far as possible by the particular aptitudes that he displays. The recruit should not be introduced to the trees until he has a fairly good general knowledge of the wood; and I should not allow him to minute papers until he has acquired a general background. Training is necessary not only immediately after entry but in the later stages of the officer's career.

It should be made clear to the recruit on entry that his success in the examination does not in itself give him a permanent career in the service, but merely a chance of qualifying for such a career; and if the recruit at the end of his probation, or earlier, fails to reach a reasonably high standard, it is a false kindness to let him remain in the service. One Royal Commission after another recommends that the confirmation of appointment after probation should not be mainly a matter of form, and most of us would agree with them; and yet I suspect that refusals to confirm appointments are still much rarer than they should be. The reason is that there is no adequate machinery for the observation of new entrants during the training period; and unless the new entrant develops some scandalous fault (which is unlikely, especially at that stage of his career), his chief, knowing very little about him, gives him the benefit of the doubt. I should suggest (though on very insufficient grounds) that there is a reasonably high correlation between success in an examination and potential aptitude for work in the service, at and above the clerical level; and if the assumption is correct, the number of total misfits should not be large, especially in a large department where it should be possible to find scope for many different kinds of aptitude. But it is certain that the retention of such misfits means inefficiency to the service and unhappiness to the individual.

Next, the habit of frequent consultation with the public should be definitely inculcated. Ask yourself the question what is the most popular class of civil servant, and I think you will find that it is the postman, who has the most frequent relations with the public; in fact, many people think of him as just an ordinary human being, and not really a civil servant at all. I think of the postman (taking the class as a whole) as unquestionably efficient; and though my friends of the Union of Post Office Workers may not agree with me, I suggest that

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the postman, though he has small prospects of promotion, is on the whole happier than most civil servants. We all need, by frequent contacts with the public, to get outside our job, and see it from the standpoint of an outsider; and these contacts provide the positive stimulus for action that we ourselves too often lack. When our feet have been firmly set on this path, it is doubtful whether any occupation in the world can provide as much joy in work as the Civil Service. The machine is so huge, so rigid, so closely bound together; to alter any part of it is like inserting a new floor in a building which is occupied throughout the whole process. There are so many reactions and interactions to be guarded against, so many and diverse interests to be considered. To carry out the work under these conditions is as absorbing as the solution of any intellectual problem; to achieve success brings more satisfaction than any intellectual problem can give.

Next, the greatest care should be taken to ensure that every individual has a definite responsibility for a definite piece of work. (Here again the postman is lucky; his work and his responsibility are clearly defined.) It is very difficult to meet this requirement throughout the Civil Service; under the hierarchical system, in which each case is "worked up" from one grade to another, a sense of responsibility tends to be lost, and incentive is correspondingly weakened. To my mind the working of the hierarchical system needs to be overhauled; the minor cases of which a great part of administrative work consists should not be handled by more than two persons in one branch, and even a junior officer should be responsible for carrying out his chief's policy, for making decisions when he knows that they are in accordance with that policy, and in cases which he cannot himself decide, for putting all the factors as he sees them before his chief. No one can take a pride in his work unless he knows exactly what that work is. In particular, a "nagging" supervisor can do infinite harm; and when one has no definite work of his own, but merely a vague responsibility to interfere in the work of other people, there is an almost irresistible temptation to "nag."

Under such a system official relations would, I trust, be more personal and intimate; and I should like to see much less shyness on the part of senior officers in praising the work of their juniors. This shyness may possibly spring from a fear that the praise may be misunderstood as implying a promise of promotion—an implied pledge which the senior may be unable to redeem. Junior officers should be encouraged to make decisions within their range of responsibility and even a little beyond it; and senior officers should be very chary of overruling their decisions.

Further, we need to do much more than we have done to develop

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esprit de corps—pride in the branch or local office of which an individual forms part, and pride also in the greater organization of which the branch or office is itself a unit. Pride in the smaller organization mainly depends on loyalty to the head of the branch or office, and the chief should go out of his way to inspire such loyalty. In order to do so, he must not only be scrupulously fair and dependable, but he must specialize on human relations. Though he understands all mysteries and all knowledge; and though he has all faith so that he could remove mountains, and has not sympathy,¹ he is nothing. This quality is not the product of a university training: if a man has not the root of the matter in him, he may develop it by means of personal intercourse; if he has not, he should never be chosen as a personnel chief.

But loyalty to the smaller organization, like patriotism, is not enough; both may even prove to be enemies of the larger loyalty. For this wider loyalty the personality of the Head of a Department counts for much; but it is not easy to make that personality strongly felt among thousands of workers who are remote from its influence. To my mind the inculcation of pride in the Department on the part of its staff is one of the chief uses of publicity. For some time the Post Office was regarded by the press as a standing butt; under the influence of publicity that attitude is changing. It is fatal to incentive to see one's Department goaded in the press, without any chance of answering back: it tends at least to make us become the inefficient and bureaucratic creatures that we are represented as being.

It is most important that, when we give instructions, we should try to show the purpose that the instructions are to serve. We discovered in the Army that there is nothing people hate more than to be "mucked about"—to be given work to do for no better reason than they can see than to keep them occupied. In the shaping of policy the fullest consultation is desirable with local officials; the more thoroughly a man identifies himself with the formation of a policy, the more incentive he has for carrying it out successfully.

I have left myself very little time to talk about the most obvious incentives in the service—increments and promotion. There is much that I could say about increments; but it is a very big subject, and perhaps I may content myself with the bald statement that, under the influence of a tradition which I see no chance of changing, increments have become almost useless as an incentive. As regards promotion, we must remember that the establishment of an office must be designed primarily with reference to its work; a Government

¹ Not an altogether adequate translation of the untranslatable *agape*. But however we translate it, this quality, which is tolerant and behaves decently, is not envious, boastful, or conceited . . . , beareth all things, has faith in all things, hopeth all things, endureth all things, is certainly what the personnel chief needs.

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Department is not free (save possibly to a very small extent) to make a post because it has a suitable man to fill it. But in the interest of the contentment of the workers just as much as of the efficiency of the work, it is necessary to administer the promotion system in the interests of incentive. There are two prime causes of maladjustment and discontent in the individual and of inefficiency in the organization: first, the retention on a routine job of men who are fitted for higher work; and secondly, the elevation to higher work of men who are fitted only for a routine job. From the day a man enters the service, we should be on the look-out for outstanding capacity; there should be efficiency reports—and a much better system of efficiency reports than the present—throughout all a man's career and not merely, as at present, while he is within the so-called "range of promotion." "A" men should be caught young and given an opportunity of being tested on more responsible work; if they succeed in the test they should be promoted, without regard to their seniority. On the other hand, a certain proportion of higher posts should be filled by "B" men on a basis of qualified seniority, in order to prevent their degenerating into "C" men under the influence of monotony and disappointment. The "A" man should be caught young enough to make it possible for him, if he satisfies the more and more exacting requirements of each grade, to go right to the top of the ladder; the "B" man should get one or possibly two steps, and no more. Needless to say, a man should be tested for promotion not so much on the work he has done but on his capacity to perform the duties of the higher grade; in a railway company a foreman on promotion does not become an overseer of foremen, but in the Civil Service promotion almost always involves supervision. This raises acutely a problem that is much more common than is usually supposed—that of the man who can do a piece of work admirably but is quite unfitted to be a leader. There are several possible solutions of this problem; but at this stage I will say no more than that the problem urgently calls for a solution.

We must confess that the problem of incentive is a peculiarly difficult one under present economic conditions. The old incentives of competition are losing their force, and no new incentives are taking their place. Higher education is enlarging the workers' capacities; and mechanization makes it more difficult for industry to satisfy them. Many would like to alter the situation, some by cutting short education, others by trying to restore small industrial units, which leave plenty of scope for hand-working and pride of craft. Others would accept the situation, and try to meet it by abandoning all attempt to give satisfaction to the worker from his work, by shortening the working day, and by educating people in the use of leisure. For the

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reasons given in this paper, I do not regard the problem as insoluble; but nevertheless it must be remembered that at least a minority of workers can gain no satisfaction from their work, and that even those who do gain satisfaction from it will be all the better for being able to make good use of the leisure which our increased productive resources are putting at their disposal. The importance of education in the use of leisure can hardly be exaggerated.

The problem of incentive affects not only staffs but managements. Excellent work is being done in this direction of national planning, which has for its end the combination of industry into groups which shall regulate prices and output in relation to an ascertained demand. Under the conditions of regulated production to which many of us look forward, what incentive will industry have to improve its methods, to lower its costs, to avoid stagnation? The problem is one which, as far as I know, none of our planners has really tackled.

I mention these problems at the end of my paper not with any intention of finding a solution to them, but in order to convince you of the great importance of the whole subject. It used to be the fashion to scoff at the public services as a sheltered industry; nowadays, employers and employees alike, buffeted by the economic hurricane, are clamouring for shelter. If we in the public services can solve this problem of incentive, we shall not only make the service more efficient and the staff more satisfied; we shall blaze a trail for industry.

The following summary of the paper is offered as an aid to discussion:—

- (1) The traditional incentives—the hope of gain and the fear of loss—are less potent under modern industrial conditions: there is a closer parallel between outside industry and the Civil Service.
- (2) The main incentive in the Civil Service is the tradition of honest work for its own sake. The problem is, how to direct this incentive to the right end.
- (3) It is often not sufficiently directed to action; there is a tendency to negativism in the Civil Service.
- (4) Suggested remedies:—
 - (a) The allocation of candidates to Departments should depend partly on the candidates' aptitudes.
 - (b) There should be adequate training.
 - (c) Probation should be a real test and not a mere matter of form.
 - (d) Frequent consultation with the public should be encouraged.
 - (e) Every man should have a definite responsibility.
 - (f) Senior officers should be less shy of praising the work of their juniors.
 - (g) *Esprit de corps* should be encouraged. (Publicity is a big influence in this direction.)
 - (h) Instructions should reveal their purpose.
 - (i) The promotion-system should enable good men to be caught young.
- (5) In industry the whole question of incentive—both for employees and employers—has become more difficult. But it is not insoluble, and the public services can help to solve it.

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By Sir WILLIAM E. HART

[Paper to be discussed at the Summer Conference, Cambridge,
June, 1934]

I HAD the privilege of presiding over the meeting at which Mr. Sharp read his paper on "Incentive," which forms an excellent introduction to the discussion of to-day. I was subsequently asked to treat the same subject from the local government point of view, and with some misgivings I agreed. These misgivings were increased when on consideration I found that observations I might have made on this subject would more fittingly be discussed when the Report of the Departmental Committee on the training and recruitment of local government officers is being discussed, and I have had to omit or merely refer to them.

Incentive, being a manifestation of human nature, is not limited in its application to persons engaged in one form of occupation, and in its main features Mr. Sharp has covered the position as regards local government services in what he says respecting the civil service and I generally agree with him, although until I heard him I did not realise the superlative virtues of my good friend the postman.

I propose to approach the question by considering whether contentment offers sufficient incentive in the public service, and what obstacles stand in the way of reasonable contentment, and then whether there are incentives to be urged which go beyond contentment.

I proceed then with the question of contentment, and the postman provides me with my first illustration. His is in every sense a routine job. He goes through the same process of public service every day. His post offers no prospect of promotion to higher status and realising this he is content. Apart from accidents and surprises he can forecast his career to the end—an allotted period of not uncongenial service with fixed pay, supplemented by mildly extorted Christmas presents, and then a retiring allowance for life; his surely should be a life of contentment. Incentive, so far as it implies a desire for betterment, is dormant and unregretted. After all, incentive is a buzzing wasp which is continually disturbing and irritating its victim, or it is like

an uneasy conscience, and there is something to be said for those who claim that what is wanted is contentment and not irritation. I have heard of a man whose sole occupation for nearly thirty years was the making of a particular kind of biscuit in a Reading biscuit factory. Apparently monotony of occupation did not affect him adversely and it may have been that the carrying out of the same work every day led to a mechanical proficiency, and possibly also to a pride of workmanship. To the extent to which in the local government service there are positions of a routine nature, with little or no prospect of promotion, it is urged that what their holders want is contentment, and not ambition.

The argument thus put forward is not meant to be of universal application. It is recognised that there are two classes of persons engaged in the public service; those who wish to get on and those who are satisfied if they find an easy job. The first class need no spur—it is in them; the second are content with a jog-trot existence, and it is not worth while to press them. Responsibility would worry some of them, others are temperamentally unsuited for it. They have little initiative, they render service which is not distinguished, but in the aggregate they move on a good deal of necessary work. The service might be better for the introduction of some of the placid spirit of the East and the limitation of much of Western restlessness.

In support of this view various considerations are urged:—

(1) The increasing mechanisation of our duties tends to a measure of uniformity which we cannot overcome. In a borough treasurer's office, for instance, machines perform many computations which formerly were discharged without these extraneous aids. These mechanical aids debase the quality of service and reduce the number of employed, but they are inevitable. It is idle therefore to seek more than contentment in such cases.

(2) Added to this, the shortening of hours of work and consequent increased leisure are important factors. Every one of us knows that other people do not wisely spend their leisure time, but we are all beginning to know something of its value. At any rate the mind is taken off its daily duties and is refreshed and restored when the next morning's duties face us. Far worse is the fate of busy men who so concentrate their minds on the exercise of their duties that there comes a time when the weary brain prematurely refuses to discharge its functions.

(3) Another consideration arises from the great increase in the number of women workers. Women are not new entrants into employment, but they are increasingly making it a life profession. It has been found that women workers are excellent in the discharge of routine duties. They have a more equable temperament than men

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and they settle to routine in a far better way than men do. It may be that this state of affairs will not continue. Women are now claiming opportunities, status and salaries in the public service equal to those afforded to men, but while no doubt the abler among them will claim a good share of the higher positions in the service it may be anticipated that the sex will in the main find satisfaction in the discharge of routine duties.

(4) The first consideration in a public servant's life (as in that of everyone else) is surely the advancement and happiness of those dependent on him. To make a happy fireside clime for weans and wife is, we are assured on the authority of a former excise officer, the true pathos and sublime of human life. This is consistent with faithful discharge of daily duties without seeking more.

(5) This argument does not necessarily involve the idea of a permanent static condition. Progress must continue, but it will be dictated by those who form the smaller section of the community, with whom I am not dealing for the moment. So far as one can imagine, the future will tend to increased mechanisation and thus confirm the idea that contentment will be the goal to be sought.

(6) The argument for contentment gains force when one looks at the universal unrest that exists throughout the world. What is needed is steady application to work. Life is made up of attention to routine duties more than we sometimes imagine. There are far too many conferences, deputations, protest meetings, ventilations of grievances and the like, at most of which extreme statements are made chiefly with an eye to obtaining notoriety through the press. All these disturb the mind and lessen the quality of the service given.

It is therefore plausibly urged that for the great majority at any rate the ideal lies in securing a contented staff, discharging its duties fairly well and little troubled by aspirations, partly because the opportunities for advancement must necessarily be few among so many.

We come then to the view that contentment, while it suits the taste of many, is really a little unworthy and should not satisfy the ambitions of a local government officer who desires to do his duty worthily. This idea is held more widely than is openly expressed. Certain observations may be made upon it:—

(1) In the first place it cannot meet all cases. I have referred to those who in any event will put forward every effort to rise in the service. To such men mere contentment is unbearable.

(2) A further and probably a fatal defect is that contentment as an ideal places the servant above the service. The public servant is not engaged with the idea of providing himself with a comfortable post, yet that in effect is his attitude when he sets contentment as his true goal.

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(3) Again, we must not ignore the tendency, almost irresistible in public affairs, which makes it impossible that conditions of service can remain as they are. Everything points to the amelioration of conditions of labour, and the tendency is as marked in the public service as elsewhere. There is an appalling surplus of labour, but the public conscience would be revolted at any attempt to exploit that labour. The growing sense of corporate responsibility goes still further, and, as is evidenced in a marked degree by recent housing legislation, demands that preferential favour shall be shown to those whose circumstances are unfortunate and crippling. We ought not and cannot stand in the way of progress.

There are, however, present drawbacks which in some cases render reasonable contentment difficult of attainment, and it should be considered what these drawbacks are and how they should be removed. The ideal which I am now considering is an organisation of which all the parts are harmoniously adjusted, the whole performing its duties without friction or trouble. The difficulties preventing such a condition may be classified under the headings of uncertainty and of injustice. Uncertainty for the future is a considerable drawback. A man may conscientiously carry out his duties so far as he is able, but if the future is menacing by reason of an early compulsory retirement and he knows not where he and his dependents will find means of subsistence, the fear in his mind must necessarily impair the value of his work. It is desirable, both in the interests of the man himself, and of the service, that he should not be subjected to such fears, and for that purpose he should have an adequate salary, proper conditions of labour and an assurance of a satisfactory retiring allowance when his days of service are over. To a large extent ground for such fears is being removed. When, as appears probable, the operation of the provisions of the Local Government and Other Officers' Superannuation Act of 1922 is made compulsorily applicable to all local government officers at no distant date this anxiety for the future should be allayed.

Injustice arises when there are inequalities in the path of advancement. In the local government service existing inequalities may be traced in part to the differences of opportunity given by large as against small authorities, and in part to the differences between departments under the same authority, and further to the indifference of members of local authorities in regard to the whole question.

One of the difficulties in the local government service, which does not apply in the case of the civil service, arises from the multiplicity of local authorities. The civil service, with all its ramifications, is still one service under one control, and rules for its government apply

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throughout. Each local authority, be it a large county borough or county council, or a small urban or rural district council, is a law to itself in these matters and there is a great variety of treatment of officers of these various authorities. Some are most efficiently conducted, others much less so, and the treatment of officers varies in no small manner. I have known and still know cases in which unfair treatment is meted out to officers. This can only give rise to unrest and impaired service.

It will have to be realised sooner or later that the local government service, which seeks to discharge the same duties throughout the country, is in substance one, and when this is understood and admitted it will be practicable to remove some inequalities.

Effort will be needed to enable staffs of small authorities to transfer their services to larger authorities. In the case of small authorities there is too little opportunity to enable their staffs to improve themselves. The unfortunate tendency in such cases is that the officers often find that monotony is the rule of their existence, and after a struggle to improve themselves many of them give up the fight and accept the inevitable.

The position of larger authorities sometimes shows similar discrepancies. In some of the smaller departments the staffs are unable to look forward to promotion, while in other departments quite good openings are available. Cases have occurred in which better increments of salary are afforded than in others. A committee which controls a prosperous trading department will not unreasonably desire to reward the loyalty of the staffs who have helped to bring about its success, while the committee of a rate-supported department often takes a more restricted view of its duties to its staffs. Any such unequal recognition of service must lead to dissatisfaction, which in my opinion is most undesirable. Where an efficient establishment committee is functioning these inequalities are minimised.

A frequent cause of discontent is unfairness arising from entry into the service being permitted to be made by favour, by nepotism or by mere carelessness. If public servants find that the service is treated as a mere dumping ground for friends or relatives of people of local influence or that it is considered to be of no moment as to what quality of entrant is brought in, there must be a sense of injustice engendered into the minds of those already engaged in the duties of the service of the authority.

And injustice also arises when the senior officer fails to give to his juniors such encouragement and reasonable opportunities as the junior's capabilities justify. It is also apparent when the junior fails to give his senior that loyal assistance which the interests of the service call for.

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The above illustrations are indicative of causes of uncertainty and injustice, which lead to dissatisfaction and discontent and possibly produce serious consequences.

For reasons already given I forbear to suggest in what way these discontents can and should be removed, save that I would draw attention to certain improved surroundings of the local government service, which should enhance the opportunities for incentive, arising from the rearrangement of county districts under the provisions of Section 46 of the Local Government Act, 1929. By the operation of the section the number of the smaller authorities will be reduced. The resulting large authorities should lead to better opportunities being afforded to their staffs than have hitherto existed.

Further, if the standard of qualification for entry into the service is raised, there is hope that a larger proportion of entrants will be of the class to whom incentive will appeal. If statistics were available, one would wish to know what number of local government officers who entered the service within (say) the last ten years are of the class who possess or will yield to the impulse of incentive, and how many are and will always be satisfied with routine duties and a large measure of personal irresponsibility. What is wanted is a great reduction in the number of the latter class, and it is hoped that a stiffer examination test, or other effective test, will be imposed upon all would-be entrants into the service.

What then are the incentives that should appeal to the local government officer?

I need not do more at this point than mention the value of taking an interest in one's work as offering an opportunity of contributing to the general well-being and of finding that work is interesting in itself. But there are other less obvious considerations that may be named.

Is not the first duty before us to seek co-operation and good will of our employers, the members of local authorities, and show them that it is their duty, and also to the public interest, to remove inequalities of treatment of their staffs, and to offer, as nearly as may be, equivalent inducements to all their officers and staffs to give loyal and effective service?

A true equality is not easy of accomplishment and there has been no real effort to secure it. Those who administer local government in its modern developments have given later consideration to the problems of the staffs than to any other problem. This is easily understood. The quick growth of expanding duties, the importance of administering social services and their obviously beneficial results, and the pleasure of controlling important trading undertakings have filled the thoughts of council members and the ratepayers when they are seeking re-election. To this must be added the delight of being able easily to raise the moneys needed

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for carrying out these desirable services. Their duty to their officers and staffs has not presented itself as in any way a problem, except so far as they have to reply to charges of overpayment of "highly-paid officials." They know that to get an appointment under a local authority is considered to be a lucky thing—it leads to a respectable position and one that should be secure for life. They have from time to time to determine what increases of salary are to be granted. Many of them exercise no independent judgment on this point, and have little idea that their duties extend to consideration of the conditions of service and the offer of inducements to secure the higher quality of service. To revert to the illustration I have already given, they have control of a highly sensitive machine, potentially much more effective than it has yet become, brought into existence not by the assembling of materials, but by the co-ordination of the efforts of living persons, and this sensitive machine can be made of infinitely more or less efficiency as it is wisely or foolishly handled.

The future is in many respects uncertain, but it does not require more than a minimum of foresight to realise that more and more varied and responsible duties will be imposed upon the local government service and that if they are to be adequately discharged highly specialised and competent officers must be trained and encouraged.

Salaries and emoluments should correspond to the responsibilities taken—they should be such as to attract desirable entrants into the service. Confidence in the council's officers would stimulate effort. The practical recognition of the indubitable fact that councillors and officers are engaged together in the conduct of a most important public service would benefit both and make the service more effective. It would give to the officers a worthy incentive to redoubled effort.

If such an understanding is to be effective, it should be represented to the local authorities, either individually or through their powerful associations, that inequalities and injustice should be removed. There is a growing sentiment against admissions by relationship or favour and against uneven treatment of those in the service. I am confident that in the course of time the better understanding and reasonable treatment which is so much to be desired will be reached.

This sense of needful co-operation between the elected representatives of the people and their officers should not stop at the removal of grievances. It is capable of many developments, for it can be made to apply to the whole field of local government service. The perfecting of that service calls for joint consideration and action. As an illustration I may refer again to the increased mechanisation of our services. (This question I admit is of general application, and in the local government service it affects seriously the workpeople employed in that service, and to a less degree the staffs.) We look with mis-

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giving, and sometimes with dread, upon the machines which displace men and women and carry out their duties with almost diabolic accuracy. At times we hear the wish expressed that we might discard and go back to simpler processes, but we realise at once how futile this is. We know how the machine lightens labour and gives effective service. What appears to be desirable is that thought should be given to the problem of overcoming the drawbacks which follow the introduction of the machine. Is it possible so to plan that when the new machine releases human labour, that displaced labour may without delay be utilised for other service not less honourable nor less well remunerated? Can we avoid the lag between the innovation and the re-absorption of labour that has been set free? This is a problem which from their practical experience of the working of the service the officers and the council members might consider. This may be considered an extreme illustration, because of its universal application, but its solution, by whomsoever effected, would benefit the whole community, and the knowledge of its drawbacks as they operate in an important service is a step towards its amelioration, and possibly to its solution. An illustration on a much smaller scale is the practice of the transport committee of a municipal corporation to invite from its employees suggestions for improving the service. For all suggestions that are adopted a small pecuniary recognition is given. The value to the recipient is not so much the monetary reward as the approval by his employers of his interest in the service. It is through co-operative efforts, large and small, and the encouragement of thought and useful suggestion that desirable incentives are afforded to the public servant.

The question of what requirements are to be made of future entrants into the local government service is another of those which I am debarred from dealing with more than perfunctorily because it also is covered by the wide hat of the Hadow Report. I need only mention the universal desire of all professions and business organisations to secure the most promising material, and unless the local government service offers equal attractions with others there will be a lowering of quality of entrants, which can only have unfortunate results on the service.

I was interested in reading the latest of the many published books on Wordsworth that he once referred to the desirability of inducements being offered to those contemplating entry into the Church as a profession. "In a country so rich and luxurious as England, the character of its clergy much unavoidably sink, and their influence be everywhere impaired, if individuals from the upper ranks, and men of leading talents, are to have no inducements to enter into that body but such as are purely spiritual. And this 'tinge of secularity' is

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no reproach to the clergy, nor does it imply a deficiency of spiritual endowments." And he goes on to urge that parents and guardians should so direct the thoughts of their children and wards destined for the Church to such habits of reflection and studies as would prepare them for the duties they are hereafter to undertake.

In these more strenuous days the need for early preparation for a professional life is much more obvious and serious. Indeed when all professions are eagerly demanding the best, and only the best, of the youth of the country, one is inclined to ask what is to become of the ordinary ranks of our young people. Are we to say, like Abraham Lincoln, that we know God likes ordinary people, because He has made so many of them? And therefore to trust that somehow they will be provided for? But this line of thought approaches theology, and I must not venture on it further.

Then how are local government officers to educate themselves and their colleagues? The first thought that occurs to me is that a tradition should be created, such as that which exists among civil servants. Their traditions have been of incalculable service. We, in the local government service, have only the rudiments of such a tradition. Our outlook has been bounded by the service of the local authorities whom we individually serve. We have failed to realise that in a large measure all our public health services are one and the same.

To those who can cast their minds back over the administration of local government for thirty or forty years many changes are apparent. The duties of local authorities have been consolidated and enormously extended. These authorities, in the forms in which they then existed, were segregated and independent. Their relations with central departments were rudimentary compared with what they are to-day. The formation of the Association of Municipal Corporations in, I think, 1875, was a landmark in local government. It brought the municipal corporations into vital touch with each other, and promoted a sense of unity among them which has had many reactions. It led to the formation of similar associations in connection with other classes of local authorities constituted by Parliament at later dates. By bringing the chief officers of similarly constituted authorities together these associations have inspired in them a sense of common purpose, and this has had some part in encouraging these officers to form themselves into associations for the promotion of their own professional interests and of the services to which they are attached. This example has also been followed by the general body of local government servants, who have created a powerful association of their own, whose purposes include the improvement of the qualifications of its members for the better discharge of their official duties. All these

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movements have led to greater efficiency throughout the local government service, and to a better appreciation of the place that local government ought to take in our national and local life. Largely on these lines the tradition we desire is coming into being.

We have two movements, each of great force, acting on what appear to be contradictory lines, the widening of the vision of what local government stands for and the subdivision of duties which is narrowing the opportunities of the worker. What is the light which this position throws on the question of whether contentment or increased efficiency should be the aim of the local government service?

I cannot help feeling that contentment as a goal has in it the seeds of disintegration and ultimate decay. The world is constantly advancing—there are of course different ideas as to whether this implies real progress or not—and any service which is carried on as a day to day repetition of the work of the past is doomed to failure and extinction.

It is possible for us to imagine that work which, for the sake of brevity, I have referred to as routine is in itself tedious and disappointing and that those who are engaged in it are rather to be pitied. I decline to accept such a misrepresentation. The duties we often call routine are of the greatest importance. Those who hold leading positions may find delight in the more responsible duties that devolve on them, but they are helpless without their staffs. The value of work as a discipline is not dependent upon its apparent importance, nor is its worth to be despised because it is not of the first order. I have too often and too long been faithfully served, not only by principal assistants, but by others of the rank and file, to be other than gratefully appreciative of their loyal devotion to the service in which we were jointly engaged.

This devotion sometimes takes unexpected forms. Some years ago a medical member of the Board of Control told me of the devotion with which nurses engaged in mental institutions under the Metropolitan Asylums Board cared for creatures whom I supposed to be the least lovable of human creatures—low-grade defectives, burdened with appalling physical disabilities, so distressing even to see that many would say that they ought to be put to death as a merciful release from a life which could offer no hope of self-attention or more than animal existence. Yet I was told that the nurses gave to these hopeless strangers a wealth of affection and a devoted attention which could not be measured in the least by the pay they received or their prospects of advancement in the service.

At the risk of being charged with digression I would refer again to the position of women. They are not now content, like Ruth, to stand amid the alien corn, gleaning where men have reaped. (By the

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way, the original Ruth solved her problem by marrying her employer.) The modern Ruth has to set herself apart in order to fulfil her profession. Unlike the male employee, she cannot look to marriage and the joys of home and children—at any rate so long as the prejudice against employment of married women holds sway. But she has an independent outlook on the problems of the public service, and is qualified to find, and will find, incentives to release her efforts from the charge of routine or uninspired contentment. The possibility of a great day is before her.

It may well be claimed then that there is no duty in the local government service which can be said to be of so uninteresting a character that it cannot be made a subject of pride and laudable ambition, and that contentment, however specious its attractions may appear, does not meet the ideals which a local government officer should entertain.

But if that be so, it is no less imperious that the drawbacks of the service which can be removed should receive the early attention of those who guide the service, and the staffs should be assured that whatever disadvantages result from uncertainty and injustice, some aspects of which I have indicated, should be removed so that every officer may give his undivided energy to his task.

The sum of the whole question is education in citizenship. Against the inertia which only too easily arises when conditions of living and service are made comfortable, the minds of men must be directed towards a high ideal. At present such efforts as are being made are on the lines of class advancement. We seek to strengthen our position *vis-à-vis* our employers and the State by exacting claims for betterment—we want improved conditions all round. To effect this we have at times to fight those who are able to give us these benefits. We are not conscious of any disloyalty in so doing. Indeed, we cannot secure our just rights without struggling for them. The price of liberty, whether in obtaining or in retaining it, is eternal vigilance. And yet when we see how the public servants in France have overthrown Ministries which have sought to put the finances of the country straight, with the result that the nation seemed to be heading for irretrievable disaster, we could not fail to know that it is wrong, in the last resort, to put the part before the whole. The sectional interests have their claim and we cannot do justice to ourselves if we ignore them. But the State is the supreme representation of all we stand for. It calls for a loyalty that will never falter. Education should be directed to the development of the spirit and practice of citizenship. It should begin in the schools. An entrant into the public service should be already aware that the State expects him to give what he possesses of skill and knowledge to serve the best interests of the nation. Few

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of us can put this sentiment into moving verse as Spring-Rice has done—perhaps it is as well we cannot. It really comes to this—that we ought to realise that duty calls for giving and sharing as well as for gaining. If we think for a moment, we see that to the State we owe practically all we have and from it has to come most of what we desire. Each one of us is a fractional part of the State and it is entitled to our loyalty. I do not want to labour this point, but it seems to me to be all important. The right balance and adjustment of our loyalties would furnish the best incentive to effort, and its attainment is well worth seeking.

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By GEORGE H. MILES, D.Sc.

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[Paper to be discussed at the Summer Conference, Cambridge, June, 1934]

A GREAT change is taking place in the outlook in many countries concerning the ultimate aims of human endeavour. The need for voluntary co-operation on the part of each worker in the interest of the community is being emphasised and brought consciously to the forefront as an ideal. As such it is becoming a definite motive for individual effort. Furthermore, an outstanding feature in the realm of industrial motivation is a progressive decline in the intensity of the fear of unemployment. Though this is in all branches of human activity still formidable, particularly in the present depression, it is no longer so intense. The fear of unemployment has been much reduced by the provision that is made by the governments in many countries and by various agencies in others, for tiding over periods of unemployment. The efforts of workers' organisations have largely reduced the possibilities of arbitrary dismissal. The employer too realises that his threats of dismissal or wage reductions do not really pay in the long run. Rate of production is reduced when work is done in an atmosphere of anxiety or fear, and the more complicated the organisation and the more intricate the work, the greater is the adverse effect of any attempt to rule by fear.

Even more subtly the power of the gain incentive is being reduced. Among the rank-and-file workers there are many groups whose solidarity is such that attempts to get more work out of them by the bait of higher pay, can be resisted if the conditions are too strenuous or are detrimental to their fellow workers, even though, as at the present time, there are many unemployed who could take their place. Many of the recent labour troubles have been due to the employers attempting to get greater production by offering a higher wage incentive under conditions which were not acceptable.

Among the employers of labour, too, it is slowly being realised that the large profits which were possible during the period of rapid industrial development, are tending to diminish over the whole range of industry. This is particularly the case in the older-established

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industries. Attempts to maintain profits at their former levels by reducing wages are resisted strenuously, and the reduction of labour costs by installing machines or by reducing staff in the process of so-called rationalisation is only a temporary relief. Sooner or later the added taxation necessary to maintain the unemployed, together with the lowered purchasing power of the community, reduces the temporary advantages.

All this means that industry is becoming less and less attractive to those employers whose main incentive is gain (financial manipulations offer greater scope) and production is at the present time becoming more and more dependent on those who occupy salaried positions, whose financial interest in the concern as a whole is small, but who are intensely interested in the work itself. The incentive of gain has certainly not disappeared but the opportunities and extent are much reduced.

Slowly but surely it is being realised that the use of the anti-social incentives of fear and the desire for personal gain must give way to the impulse towards co-operation. Co-operation, forced or voluntary, there must be if our complex system is to stand. It is the foundation of our industrial organisation. Yet we are all extraordinarily blind to its existence. We eat our daily meals and seldom realise the complex mesh of human co-operation that is responsible for the enjoyment of even the simplest dish. Even the cigarette which is casually smoked, represents the co-ordinated efforts of thousands of workers, the developed methods of the agriculturalist and the engineer through several centuries, and the planning of planter and producer over many years. This highly integrated system has been developed through the motivation of fear and the prospects of gain under the stimulus of fierce and prolonged competition. The individualist cannot conceive of a society in which the incentives of fear and of personal gain do not dominate. He has in the past obtained his success by his skill in applying these motives. He points with satisfaction to every instance where waste or inefficiency occur in public services, but ignores the waste, destitution and misery which his success often entails in other competitive and often less successful organisations, and the ill-feeling and resentment which results among his own workers.

The strife of man against man and group against group in the struggle for material wealth has replaced to a large extent the strife against nature that dominated earlier civilisation, but many now realise that if only the waste of material and human effort which unrestricted competition involves, could be replaced by co-operative effort and ordered planning for ascertained fundamental needs, everyone would be better off, both as regards material comfort and personal well-

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being. But changes of this magnitude are certain to involve much confusion in their progress. Many experiments will have to be tried and many mistakes made before such fundamental changes in outlook can be reached. It is equally certain that incentives of a very different order will take the place of many now operative.

Outside this country there are at present in progress four experiments on a national scale in which already there has been a profound change in industrial methods and in the incentives under which the workers operate.

In Russia the position is somewhat similar to that in England during the earlier part of the industrial revolution, but with the important difference that the rate of change is ten times more rapid and is taking place under the influence of very different incentives. Russia has during eight years introduced industrial changes that took over 100 years in this country to develop. Most services are under the State and only about 14 per cent. of undertakings are run by private enterprise. The incentive of gain, or as they put it "exploitation," by the employer is ruthlessly put down. But amongst the workers themselves it has been found necessary to introduce piece rates and there is a definite differentiation between rates of pay amongst various classes of workers. The incentive of gain has had to be reintroduced though its extent is limited. This has been found necessary in spite of intense propaganda emphasising the importance of service to the state in accomplishing the planned productions. Outstanding individual services are given great publicity, are conspicuously rewarded by special privileges and by giving holiday and travel facilities. Here then is a State run almost entirely by public services with incentives applied in many different ways and of a very different order from those in operation in other countries.

Germany is showing signs in the development of her labour camps and in the compulsory service at these camps which is required of the university students, that she is developing by direct means the ideal of service to the State and to the community. For the rank and file the intrusion into everyday activities of the principles of military organisation and its attendant ideals, is giving a training by analogy which will ultimately have its reflex in greater industrial co-operation. Over all, and continually emphasised by the ruling party, is the ideal of service to the State and the development of German Nationality. In Italy the relation between industrial groups in the interests of the State is emphasised, whilst in America the last two years have seen an even more striking change of viewpoint from that of fierce, unrestricted competition, and a strong individualistic attitude, to one of planned development to meet ascertained needs. The emphasis has changed. The desires and ambitions of the individual or

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industrial group have been subordinated by compulsion or persuasion to the broader ideal of the well-being of the community.

In all these countries hard facts have emphasised the conditions upon which our industrial civilisation ultimately depends. Planned co-operation is essential. Planned production and definite budgeting for production involves also budgeting for the labour with a far greater certainty of employment over the whole period of working life than is at present possible with unrestricted competition.

In this country changes of a similar type are taking place—not so dramatically nor on so large a scale but nevertheless significantly. In every industry groups of firms are combining to form larger units. Redundant or less efficient units are closed down. Ruinous competition with its phases of over-production is being eliminated, and the introduction of vastly improved methods of production, modern methods of estimating market requirements and more accurate budgeting for production tends to keep production and sales in step. This makes for much greater ultimate stability, and conditions of employment are approaching those of the public services. The directors and departmental heads are in many cases salaried officials. Their interests are in the success of the organisation as a whole, on its human and its material side, but the very magnitude of some of these organisations and the intricate nature of their technical, financial, and at times, their political problems leave the heads with but little time for the human problems which in many ways closely resemble those met with in the public services.

One of the biggest problems is the provision of adequate incentives to meet the new conditions. The potency of the more primitive and anti-social incentives has been progressively reduced with the growing integration of modern industry, but we have not yet fully realised that the compulsory co-operation which was operative when those incentives had full play must be replaced by incentives which encourage voluntary co-operation. Loyalty to, and faith in, the purpose of the organisation I would therefore put in the first rank as a motive for good, conscientious work. The ideal of service to the community and the recognition that this can only be achieved effectively by the wholehearted voluntary co-operation of each member of the organisation requires high qualities of leadership and can only be attained by leaders who are themselves imbued with the same ideal. Some men are born leaders but with knowledge, sympathy, and foresight most heads can develop these ideals in their subordinates. A knowledge of psychology is a great help in understanding employees and can assist in many ways in developing within an organisation the atmosphere favourable to sympathetic co-operation in attaining its aims.

The influence of a really efficient "head" is unmistakable, both

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in the actual efficiency of the operatives under him, and also in the spirit in which they go about their daily work.

Furthermore, efficiency and effective organisation, the feeling that work is going along smoothly and steadily, that there are no hectic and avoidable rushes, goes far towards giving a definite incentive to the workers to do their best.

Here again is a very wide field for psychological study. What is it that makes one organisation so much better than another, even though their details as outlined in the usual organisation chart may be quite the same? One outstanding factor in the efficiency of an organisation is that of having just the right person at the key points. Many an organisation which looks excellent on paper fails from lack of this almost fundamental requirement. Closely allied to this is the allocation of responsibility.

Responsibility is in itself an incentive to a person. He feels that it is up to him to make good in the position in which he has been placed. Yet the value of this incentive may be greatly reduced by the attitude of a superior who looks upon the allocation of responsibility as a most effective way of tracing down errors. The keynote of such control is that when a person has been made responsible for any group of activities it is a comparatively easy matter to locate the offender should anything go wrong, and apportion the blame. This conception of responsibility is the resort of the weak leader who, unable to obtain that degree of loyalty which is essential, attempts to make up for his lack by making sure that those who fail in any respect can be made to suffer for their defects. Such an attitude is absolutely detrimental to progress. Far better is the attitude which is found in many of the more modern firms, in which, while responsibility is clearly defined, the activity of the chief is directed, not so much to apportioning blame for errors which may be committed, as to remedying and preventing their recurrence. With such a spirit, responsibility is looked forward to rather than dreaded, and, furthermore, the co-operative attitude which is essential in any particular organisation is encouraged by the reciprocal service of helpful advice and the encouraging of free discussion of difficulties. With the reverse attitude there is always a tendency for the subordinates to attempt to conceal any deficiency. In fact in some firms where the management takes up an overbearing attitude I have frequently met with many departmental heads who seem to spend more time in defending their positions than in getting on with the actual job. If a more co-operative, sympathetic and helpful attitude were adopted the firm would reap the benefit a hundredfold.

There is another aspect of this question of the allocation of responsibility which I feel is of great importance. In many branches

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of public service with which I have come in contact I have sometimes found the heads of the departments overburdened with detail often amounting to trivialities, which should have been delegated to subordinates. Such delegation would afford twofold benefits. In the first place, the chief himself would be freer to give his attention to the more vital points of organisation. And secondly, the delegation of the minor responsibilities would give much more scope to subordinates. In many of the larger industrial organisations, too, especially in those where amalgamations have been effected, the reduction in the number of supervisors reduces very appreciably the opportunities for promotion among the rank and file. This in itself reduces the incentives to effort, and, furthermore, I have met with many cases where the actual work has deteriorated owing to the fact that the rank and file have not had a sympathetic immediate supervisor to whom they could put their difficulties. The firm may have shown a reduction in costs of supervision, but the apparent improvement is more than counterbalanced by removal of all incentive from the rank and file, who can see but little chance of promotion before them. There is here a very interesting psychological problem to determine for a particular department just what is the best size of a group which should be put in charge of a responsible supervisor. It is a problem that so far as I know has never been worked out on any scientific method. Yet it is one which would well repay close study.

So far the incentives that have been considered are of a general character—difficult to define but nevertheless very real and very vital to efficiency. They produce in the aggregate the indefinable atmosphere of an organisation. They affect to a greater or less degree every member.

There is a great intellectual satisfaction in the successful running of a big organisation. This in itself is a great incentive to further effort for those who are in sufficiently high positions to take part in the adventure. But the rank and file worker whose job may be the same day by day and year by year, has not got this stimulus; moreover, in any case the intricacies of the job would be beyond his intelligence. Loyalty to the leader, the organisation, and the more remote ends which it serves, can be appreciated on the emotional plane, and constitute a strong incentive when clearly appreciated, but the dull daily round by its nearness, insistence and petty trivialities, tends to damp down enthusiasm. Normally, healthy human beings cannot tolerate for long a monotonous level of existence. Sooner or later there is revolt. In some cases the revolt takes the form of grousing—a row—anything for a change. Many of the excesses that occur outside working hours are the safety valves through which energy escapes and is wasted. Even more subtly, absenteeism for

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trivial causes, sickness and even chronic illnesses, represent attempts to avoid work which is subconsciously disliked but which a strong sense of duty or economic necessity may impel the worker to perform.

The industrial psychologist finds instances of the kind mentioned in every branch of industry. Such a widespread problem and one so vital to the well-being of the worker and to the efficiency of the industry has received considerable attention. Though a complete solution has not been found it has been possible to reduce the troubles materially. It has been found, for instance, that monotony is a relative term. A job which seems very monotonous to one person and could not be tolerated for long is liked by another individual of a different mental make-up. Everyone has seen men sitting by the side of a river with rod and line for hours and never a bite! Yet to the enthusiastic angler the pastime has its peculiar fascinations. Temperament plays a large part in determining whether a job is or is not monotonous. Much, too, depends on the degree of mastery of an occupation. The knowledge that one is master of one's job is perhaps the greatest incentive that the work itself can give. At the other extreme nothing can be more wearing than a feeling of incompetence. One worker expressed this by saying "the job is always on top of me. I feel I can never catch up." As with the higher positions, so throughout every grade of an organisation: the right man in the right job is all important. For this reason the industrial psychologist is devoting much attention towards ways and means by which it is possible to determine whether a newcomer is or is not fitted for a particular job. Intelligence is an important factor, but too much intelligence may in the long run be just as big a handicap as too little intelligence. Memory is required in most occupations, but in one job a memory for numbers is required, in another, memory for faces is essential, whereas in another type of work, say that of a taxi-driver, a memory for places and routes is important. So also each job has its own quota of attention, visual ability, mechanical dexterity and a host of other factors.

The psychologist does not pretend that he has reached the degree of accuracy in his analysis of these qualities that has been attained by the chemist in his sphere of work, but it has been proved beyond all doubt that where an organisation has had the patience and persistence to attack the problems systematically and scientifically, there are far fewer misfits amongst its employees. Those organisations that have gone a step further and have added courses of systematic training, have reaped a double benefit. They possess workers who by their innate abilities are well fitted for the work and thus by their training have become masters of their work. Both these facts are potential incentives that become operative when external incentives,

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such as payment for work done or prospects of promotion, are offered.

Our modern industrial civilisation can show no more refined, though unsuspected, cruelty and injustice than the attempt to goad badly selected, untrained workers by offering them the incentive of high wages, or by holding over them the fear of discharge. In a highly competitive industry the very unsuitable ones drop out, but a lower marginal group remains with just enough competence to eke out a subsistence, under the continual apprehension that they may at any moment find themselves out of a job. In the more sheltered industries more remain. The work is a drudgery, they become centres of discontent ready to find fault with anything and everything but their own incompetence or in some cases over-competence. I am convinced that in the public services, and in those branches of industry where modern changes are tending to production conditions similar to those found in such services, the scientific selection and training of personnel is of fundamental importance. With this foundation a well-balanced system of incentives will operate with advantage to the employee, the organisation and the country.

Our knowledge of the value of various incentives in the stimulation of human energy is extraordinarily vague, and each person tends to imagine that the incentives that would appeal to him will appeal just as strongly to others. There is here an unlimited field for further inquiry and for more exact knowledge. It is certain that there are, in this sphere as in every other type of human activity, very wide individual differences.

It is equally certain that the monetary reward on which so much emphasis has been put in the past is not the only incentive to work. In most large organisations and in the public services the employee can gauge fairly accurately the extent of this incentive over a period of years. Even when piece rates are paid, he knows from the experience of other workers who are employed, the average wage which he may expect to get.

The prospects of promotion are also fairly easy to estimate, and any extra effort that he may make through undue optimism during the early years of his career are compensated later on by the damping effects of disappointment when the expected promotion is not forthcoming. In one large department where the head still cherished the illusion that promotion was a great incentive to effort, the chances of promotion were one in thirty during the whole working life, and moreover as the men were on piece rates the so-called promotion might actually be accompanied by a fall in income.

In our large industrial concerns and in many branches of the public services the incentive of promotion is for the rank and file very much less than it was in the days when the heads of those con-

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cerns were young and were members of a comparatively small group. Even when promotion occurs its application is often hopelessly illogical. The man who is expert at the bench and in his manipulation of materials may be promoted to a position in which he is expected to manipulate, control or lead human beings. On the other hand the man who is promoted may look on the promotion as an escape from a disliked or even a despised job, and indeed the attitude of many heads of departments towards promotion fosters this idea. The statement that a man can "improve his position" by promotion implies the inferiority of the group he leaves, and his future contact with the group he has left may be adversely tinged by the memory of his experiences as a member of that group. In view of the very different qualities that are required of a supervisor it is doubtful if the present methods of solely vertical promotion can ever be really satisfactory. It would seem better to promote horizontally as well as vertically. Unfortunately the methods of promotion and the conception of its uses have been but little modified to meet the needs of modern large-scale organisations. There is here also room for detailed inquiry and experiment in moulding a traditional incentive to meet present-day requirements.

Incentives often appear to bear but little relation to the magnitude of the efforts that they evoke, and though the use of incentives is essentially a power problem—that of generating human power—there is no possibility of such exact determination as there is in the physical world. The monetary incentive appears, on the surface, to bear some relation to the amount of effect that it will evoke. On consideration, however, it is obvious that this is not true, for though two men may be offered similar wages and may produce exactly the same material result, the actual human effort involved may be vastly different. One man likes the job, is an expert at it, while the other may detest it and may be thoroughly exhausted at the end of his task. In both cases there are many other incentives operative while the work is being done, and it is in the development and recognition of the value of these non-financial incentives that future development will take place.

There is in this sphere urgent need for inquiry and experiment. The work carried out by the Western Electric Company shows, for instance, the marked incentive value of pleasant working conditions and the avoidance of supervisory nagging. More recently inquiries have been made in Germany in the engineering industry with a view to ascertaining the degree to which it is possible to organise each shop as a social unit and so encourage incentives that make for co-operation, thus counterbalancing the anti-social tendencies which so often develop as a result of piece-rate payments.

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In every country experiments are being carried out in widely differing types of organisation with the aim of utilising better-balanced groups of incentives. On a much larger scale the huge national experiments that are in operation in many parts of the world will give, in time, invaluable information concerning the interplay of incentives and human effort if the results can be viewed in a scientific spirit, free from political bias.

No group of organisation is too small for experiment, but it requires courage to take the first step, and this must be based on sound knowledge of the situation. It has been the Institute's experience that more harm than good can be done by well-meaning though ill-informed persons who often tend to base their estimates of the workers' needs on preconceived ideas. It is necessary, among other things, to realise the change in attitude towards work which is taking place through more liberal education and through the relief which labour-saving machines and methods have introduced into every department of human activity. Equally important is the conception that the end and aim of industry is not to make profits, as was so dogmatically asserted by Taylor, but to serve man by improving his standard of living and giving him enhanced physical and mental well-being through increased leisure. The monetary incentive is perhaps as potent as ever, but with the wider view of life and purpose it is not in itself sufficient to produce balanced and co-operative effort. Many incentives lie in the work itself, and, to develop these, scientific selection and training of the new worker is the first essential in order that he may be master of his job and take an intelligent interest in it. Environmental conditions, both physical and mental, play an important part in encouraging or discouraging effort, and perhaps more vital still is the desire of so many workers to be considered as partners in the undertaking and not mere inanimate cogs in the machine.

It is therefore essential to study the worker, his needs and his aspirations, not from the exalted position of a supervisor, manager or director, but by co-operative inquiry side by side at the bench or in the office, where the worker's real difficulties and requirements can be understood from his point of view. From experience of many different types of organisation I am convinced that the problem of incentives in the public services could be brought much nearer to a satisfactory solution by inquiries carried out on these problems. As a result, much of the work that is now carried out quite satisfactorily by force of habit, routine, and a sense of duty would give more pleasure to the workers in the doing of it, and in response the public would more readily appreciate the services rendered.

Registered Papers

By Sir HENRY N. BUNBURY, K.C.B.
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[*Paper to be discussed at the Summer Conference, Cambridge,
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AMONG the shocks with which the business man was confronted when he became part of a Government Department during the war was the system of registered papers. He regarded it generally as either a joke or a nuisance—or both. He had never seen anything like it. It seemed to stand between him and what he wanted to do. It embodied a ritual the meaning and use of which—if it had any—was not apparent to him. It was the very substance and incarnation of red tape.

Yet we all, in our various departments, use it. We learn it, we lean on it. I want in this paper to examine it, not from the Civil Servant's point of view—a waste of time, for we know all about it—but in the hope that an explanation of it may be of some interest to those, particularly our colleagues of the Local Government service, who in general contrive to do without it. Registries themselves are being dealt with by Mr. Pedley, than whom no one is better qualified to speak. My own observations will be confined to that which proceeds from, and eventually finds a resting place in Registries—the registered paper or official file.

The system, now of a considerable antiquity, is designed to serve two purposes which had better be distinguished. It is: (a) an instrument of co-ordination; and (b) a record of official action. In fact, the former purpose implies the latter, and the distinction which I have drawn is perhaps a little artificial; but it is convenient to distinguish between the use of the registered paper as an instrument intended to secure that the left hand knows what the right hand is doing, or saying, or thinking about, and its use as a record of past discussions, correspondence, and decisions.

The underlying idea of the system is that all correspondence (or other document which moves the department to action) shall be first received at a central point where its existence shall be recorded. From that point, bearing an identification number, it is directed into the proper departmental channel; and if it has a past, whether in the

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form of previous correspondence on or previous consideration of the subject, that past must be duly and physically attached to it. Thus in the interests of consistency and order, we guard ourselves against the risks of correspondence being addressed to the wrong department, and of having to rely on memory for past decisions on the subject at issue. We do not have to train the public to address themselves to some particular official or sub-department: they write to the department, and the department does the rest. Any official who takes action without the appropriate official file in front of him, and without recording on that file the action he has taken, does so at his peril. Even semi-official correspondence, if it bears on a matter of continuing interest, is best filed in the official papers. If the matter concerns another branch or sub-department, the file is referred to it, and its comments, data, suggestions or criticisms, are added in writing. After a decision is given, it is notified to all concerned by passing the official file to them. Everyone who at any stage is or may be concerned with the matter has the whole story, up to that point, before him, and in the end the complete story is there on permanent record for the information and guidance of those who come after, when next the question arises or its consequences call for attention.

Now all this facilitates co-ordination of a high order: and before we pass to criticism of the defects and abuses of the system, it is necessary to pay a just tribute to its merits. In a simple organisation, with rare changes of personnel, simpler methods suffice. A filing system for letters and replies, and for memoranda, is all the mechanism that is necessary; human memory, as regards the past, and personal discussion of current problems which concern more than one official or department, will do the rest. But public business in a Government department has long passed out of this stage. If we could afford to be inconsistent or contradictory, the case might be different. But we cannot. What we said two years ago to John Brown that we must say to-day, in similar circumstances, to Thomas Jones; or, if we are going to change the tune, we must do so *knowing* that we are changing it. One department must not be pursuing a certain policy while another department is giving decisions which imply an opposite policy. Against all this kind of thing the official file, with its references and notations, and its status as the normal basis of official action, is a very real safeguard.

Up to a point, it is true, the system is simply an example of the universal practice of all well-ordered office organisations, of having some system of identification or reference numbers for correspondence, and maintaining some sort of an index of them. The peculiar characteristics of the Government system emerge when this idea is married to another one, viz., that of centralising the registration of correspondence at a single point. When that has been done it is not

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only possible but natural to associate together all the documents which bear on a single subject, and to keep them together. Of this union the official file is the offspring.

The system runs counter, however, to some rather deep-seated instincts of administrative human nature. A man likes to have the apparatus of his job round him, under his eye and within his own control. With such the departmental registry is apt to be in sharp conflict, and it has to justify its existence and its rules by showing that they bring positive advantages. Some of these have already been mentioned, but there is one to be added—the economy of specialising on registration and indexing work and of dispensing with individual or local card-indexing and note-keeping. It is by this that registries are apt to justify their existence, and the first test to apply, in judging the efficiency or otherwise of a registration system, is the extent to which Branch registries and other local or individual records are maintained. If they do not exist you may be pretty sure that you have an efficient central registry. If you find them all over the place, something is wrong.

Like all tools, however, the system has its limitations and it can be misused. Perhaps its most obvious limitation is that it makes for a certain slowness in action, especially where reference has to be made to several departments before a decision can be taken. In the ordinary way it is impossible for more than one department to work on the same file at the same time. This difficulty can, it is true, be got over by someone taking the initiative and calling a conference; but subordinates are naturally reluctant to take this step, while chiefs may come in at too late a stage, and the line of least resistance is to put something on the file and pass it on.

Another weakness is that files of important or complex subjects develop a marked tendency to adiposity. We badly need an official "slimming" system, applied during the lifetime of the file, and so far as I am aware we have not got it. The result is that mastering a subject from the file becomes a rather long and toilsome task. How much official time is wasted in the aggregate in this way I do not know but I suspect it to be considerable. It may be that for cases of the kind which I have in mind there would be a real gain in having a digest or *précis* of the contents of important files prepared and substituted for the files themselves; but it would have to be very well and intelligently done.

There are, too, in the departmental registered paper system some subtler weaknesses on the psychological side. It lays so much emphasis on what has been done or thought before, that it tends individually to direct at any rate the weaker minds into a prepared groove. Precedent, whether of action or thought, is a good servant

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but a bad master. The file puts us on terms of such familiarity with the past that we may be in danger of losing our grip of, and our insight into, the present. That is why civil servants can sometimes be heard to say that it would be for the public advantage if the departmental registry were burnt down and a fresh start made. These, however, be grave matters, and I am not suggesting the initiation of a fire-raising campaign in Whitehall.

Another weakness which is apt to be engendered by the system is what may be called the premature crystallisation of opinion. "What I have written, I have written." A man may be prepared to discuss a subject in the most reasonable spirit imaginable; but when once he has been compelled or allowed by the system to commit his thoughts to paper, in the isolation of his room, his outlook is changed. He becomes not an open-minded seeker after truth but a defender, at all costs, of what he has already said. How often do we see upon the official file a minute to the effect that "I think I was wrong about this and I now agree with Mr. Jones"?

Of the grosser failings which the system is apt to foster little need be said. We know the temptation to excessive and prolix writing, to the vice of "thinking on paper," to the habit of saying something for the sake of saying something rather than of forwarding the business of the department and getting the matter settled. Our official forefathers, compelled, as they often were, to confine their written observations to the margin or at best a turned-over corner of the letter under reply, enjoyed a discipline in brevity and conciseness which we may well envy.

One other defect, to which I have already alluded, is that the very existence of a system as serviceable and effective as the system of registered official papers, tends to discourage recourse to other methods in particular cases where they may be more appropriate. Just because the official file is there and it is so easy to put on it a minute to a colleague or a full-dress letter to some troublesome Corporation or Society, we do not take what might well be the wiser course of talking to him about it, or inviting them to come up and see us some time.

What does all this amount to? I think to this, that the Government registered paper system is a natural development which has very great merits and can be used with advantage in any organisation where conditions similar to those of Government Departments prevail. It has, however, its defects and its dangers. It must be employed, by those who use it, with restraint and with intelligence. It must never be allowed to become the master of the official; on the contrary it must be a tool in his hand, and not the only tool which he uses. There is a particular need that the Registry, which controls the

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system, should be in good, intelligent and competent hands and armed with adequate powers. The principle of centralisation and specialisation of Registry work should be carried as far as possible. And the system can never work well without the intelligent co-operation of the officials of the department generally.

How far any such system is suitable for the offices of local authorities I am of course not in a position to judge. It is clear that the very strongly departmental organisation and traditions of local authorities would constitute a formidable obstacle to the adoption of the system, even though it should show, on balance, advantages. Moreover, it must freely be admitted that for departments whose work really is self-contained and rarely calls for reference to other departments or for co-ordination between officials within the department, central registration of documents is probably an unnecessary luxury, which tends merely to involve additional and unnecessary handling. Even in the large Government Departments, where central registries exist, there is a substantial and probably growing proportion of the correspondence which receives only local registration or no registration at all.

Moreover, officials of local authorities with their different traditions and methods will be peculiarly alive to the defects of the Government registration system which have been mentioned already. Nor perhaps is the need for the registered paper system as an instrument of co-ordination as strong in local authorities, where Committees of the Council take the place of over-worked higher officials and equally over-worked and transient Ministers.

Nevertheless when all allowance has been made one is left with the suspicion that there may be a place in the larger authorities for something analogous to the Government system, possibly more limited in scope, and certainly adapted to meet the different conditions. And at that point I leave the subject.

The System, Methods and Management of Registries in Large Government Departments

By A. C. PEDLEY, C.B., I.S.O.

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[Paper to be discussed at the Summer Conference, Cambridge, June, 1934]

WHEN I state it as my conviction that the Registry occupies in regard to a Department a similar relation to that which the foundation bears to a building I may perhaps be pardoned for claiming, at the outset, that it should be deemed to have a title to prime consideration in departmental organization.

For in such organization it must be apparent that one of the most important preliminary functions is that of providing for the registration of the correspondence, in other words, of securing the means of identifying it, whilst, as I understand it, there is attached to this, in any properly constituted Registry, the necessity

- (a) of recording the whereabouts during circulation of the files containing the correspondence;
- (b) of inspecting the files on their being sent for storage to see that action has been completed;
- (c) of providing for their storage; and
- (d) of producing them thereafter when required by those authorized to requisition them.

Various systems exist, or have existed in the past, for carrying out the duty of registration, and in many of the smaller—and indeed in some of the larger—Departments the practice was, and for aught I know may still be, limited to the annual consecutive numbering of papers without any special regard to subject classification. Where such a system obtained, it was necessary to supplement the process by the keeping of various books to provide for such classification, but this operation, being only possible when the papers came back for storage, did not provide adequately to meet current needs.

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In more modern times, the card-index system has been substituted for a book record in some cases, and this, with its system of cross-entry cards, presents an ideal plan of ensuring both registration and classification. This system, however, is more especially suitable for small offices, as in the larger Departments, where the great intake of correspondence would involve such a vast number of cards, there would be considerable difficulty in securing that means of custody which would admit of ready reference and at the same time guard against the possibility of loss or displacement of the cards, thereby nullifying the value of the registration.

Whilst, therefore, to take a typical case with which from my War Office experience I am familiar and which I have seen in actual process, it has been found advantageous to adopt the card system of registration in the Headquarter offices of the Military Commands, no attempt has been made to utilise it for the purpose of dealing with the much greater volume and intricacies of correspondence in the War Office itself. Whilst I do not consider that it would be *impossible* to adopt the card-index system for the larger Departments, I do not myself think it would have sufficiently great advantage over the system which obtains at the War Office to warrant the change.

As I have mentioned the War Office, it will perhaps be better, for the purpose of this paper, that I should utilise the concrete example of that Department to enforce the views which I have to offer for consideration, more particularly as I have reason to believe it is to my knowledge of the working of the War Office registry that I owe the privilege of contributing this essay.

The War Office system of registration was initiated by the late Mr., subsequently Sir, Ralph Thompson, who, in 1856, consequent upon the amalgamation, in what we now know as the War Office, of a number of separate departments which had hitherto been responsible for the civil duties connected with Army administration, found himself as Registrar confronted with the alternative either of suggesting that each department should continue to retain its own Registry, or that the work of registration should be combined in a Central Registry for the whole office.

The authorities, on Mr. Thompson's advice, decided in favour of the Central Registry, and the main advantages of such a system may be briefly stated as follows:—

- (i) The concentration of the correspondence which enables the Head of the Office to be informed at once of the receipt of any important letters;
- (ii) The prevention of correspondence being conducted on the same subject by different branches, which the existence of separate registries is calculated to foster;

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- (iii) The smaller staff required to perform duties when combined in one registry than when the duties are separated;
- (iv) The more expeditious performance of work resulting from the freer circulation which a central registry as opposed to sectional registries affords.

The plan thus adopted nearly 80 years ago, which remains to-day in basis the same, took the form of a subject system under which certain generic or serial numbers, or ranges of numbers, were used to denote subjects into which the correspondence or work of the office naturally divided itself, and the only real alteration which has since taken place has been a variation of those numbers with the desire to give greater elasticity to their use. For instance, originally the number utilised for War Office business was 7968, that for the War Office Establishment 7969, and so on, with the result that there were six or seven series to cover subjects connected with War Office administration and its civil staff. Contracts, too, were registered on a number of serials of four figure numbers with a separate number for each class of article.

Briefly what was done was, for instance, to take the number 1 to cover all War Office business and the civil staff and to divide it by sub-title into various series; thus 1/Gen. No. covered administration, the first paper on the series becoming 1/Gen. No./1. 1/Estabt. similarly was used for papers affecting the general clerical establishment,, 1/Messengers, &c., following suit, so that instead of having to invent new numbers for any fresh service in the War Office it was always possible to meet the needs by expansion under the series 1. Similarly "Contracts," followed by the initial letter of the article, replaced about 600 separate numbers. Similar action was taken in the case of many other series, the object being in each case to give power of expansion without changing the classifying number.

I have given these as typical cases to show the changes which were introduced in the serial numbers but, as I have said before, the system remains as originally inaugurated, and has to my mind many of the advantages of the card system without the perils associated with the custody of the cards. I may add that the service performed by the cross-entry cards in the card system is met in the War Office plan by cross entries in the registers where the correspondence affects more subjects than one. Further improvements have, I believe, been made since my day by the use of loose-leaf ledgers so that the difficulty of spacing the registers has been obviated.

The Central Registry to which I have referred was placed under the control of Mr. Thompson, who was promoted to the grade which was known in pre-war days as that of Principal. He held this position until he became Chief Clerk and, although he was succeeded by

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another Principal, he always had in the higher posts he held, namely, those of Assistant Under Secretary of State and Permanent Under Secretary of State, a special care for Registry work and a full appreciation of its value and importance which he did not fail to make known.

Whilst after his day it was still, at first, the practice to appoint a Principal to take charge of the Registry, I fear it must be admitted that the gentlemen occupying that position were rather inclined to "float on the top" than to be the administrative directors of its work, with the result that anything like real control—other than that of the executive—sank in time into desuetude.

With a hybrid staff such as that of the War Office, it is not difficult to understand that, under the circumstances mentioned, considerable friction arose and as a result of a departmental committee it was decided that provision should be made in a more definite way for that administrative control which had existed—and proved effectual—in past days.

It was moreover thought advisable that someone with experience of work on the papers themselves and the general conduct of the ordinary duties of a branch, who had in point of fact been able to view Registry work from its practical side, should be appointed to act in this administrative capacity.

In continuing the story, I find it necessary to introduce the personal element and I trust that in doing so I shall be acquitted of any desire to be egotistical, but as it fell to my lot—after 24 years' service in the Finance Division of the office—to be selected for the duty of creating an Establishment branch in the Secretary's Department, I was given, at the same time, that of exercising administrative control of the Registry.

I asked for and received a free hand to make such changes as were necessary and to deal with matters in my own way, and for the next 16 years I fulfilled the duty. My first action in this connection was to get into personal touch with such of the military staff as I did not know, to explain to them and to those with whom I was already acquainted, both civil and military, that I wished them to regard the Registry as the servant of the whole office and as performing work which was concentrated there because it represented service common to all branches.

I assured them that any ordinary complaints they or their clerks might wish to make would, I was confident, be readily dealt with by the Chief Executive Officer of the Registry, but indicated my desire that in any case in which difficulty occurred in this respect, or where cases of major importance arose, a communication should be made to me personally. I made it a practice to avoid writing minutes in

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such cases, feeling it to be the better course to deal with complaints by personal discussion, and indeed I so found it—the result being that the causes of friction were soon removed. Moreover, I encouraged the view that officers on appointment to the staff should pay the Registry a visit and see for themselves its mode of working.

Practically at the same time, a book of "Instructions" for all serving in the Office was published and was utilised—*inter alia*—to give a great deal of valuable advice as to the work of the Registry and to impress upon all concerned the need of familiarizing themselves with its methods and of conforming to its rules. This publication was of great assistance.

This brings me to the point that I wish to enforce and it is this, that in any large Department much trouble will be avoided and smooth working be assured if someone occupying a position of prominence on the administrative staff of the Office is given authority to exercise control of the character to which I have referred.

Another duty which one occupying my position had to discharge was that of showing to the Permanent Under Secretary of State on his arrival in the morning all the more important letters and despatches which had been received by the first post and, in the course of the day, any that might arrive by the later deliveries. In order to enable this to be done the heads of the various rooms in the Registry were required to bring all letters of importance to the Chief Executive Officer and he, in his turn, having collected others would bring the whole to me directly I arrived. Of course, I selected only those which I know would be of real interest and of sufficient importance, and if the Permanent Under Secretary wished to see any before a decision was given or desired that any other high official should do so it was arranged to secure this. I may add that if any branch or individual wished to see a paper before it was put away, it was always possible to secure this by marking the "jacket" accordingly.

Having said thus much as to the system, it becomes necessary now to deal with its method of working both from the point of view of the Registry and that of the Office as a whole, and one may begin by saying that the Registry consists of the following sections:—

- (a) Post opening.
- (b) Registration.
- (c) Transit.
- (d) Presskeeping.

Without going too much into detail, it will suffice to say that the whole of the post is delivered to the post-opening section and after a preliminary sorting has separated the returns, &c. (which are sent unregistered to the various subdivisions) from the other corre-

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spondence, the latter is passed into the registration section to certain experienced clerks, styled "markers," whose duty it is to mark in pencil on each document the series and the branch of the Office to which it is to be registered.

This done, the documents are passed to the clerks in charge of the various registers, whose duty it is to put a "jacket" on the paper if one does not already exist—in which latter case a buff slip is pinned to the document and it is sent to the subdivision to which the original paper was registered—to mark on the jacket its series, subnumber, subject and destination, to record these in the register and to mark up in the register and denote on the "jacket" any former papers which may be referred to in the letter itself or which deal with the same subject.

The newly registered papers are then passed to the transit section for despatch to the branch, any former papers denoted on the jacket being first annexed by the presskeeping section or their whereabouts indicated if not in Press.

The delivery of the papers is facilitated by the fact that the messengers for a number of branches are grouped in the same lobby, and thus the transit section sorts and puts in a bag or bags the papers for the branches served by each lobby. The bags are then taken round in trollies by three transit messengers, who are allotted as follows:—

1 to the 4th (where the Registry and transit are situated) and 3rd floors.

1 to the 2nd and 1st floors.

1 to the ground and sub-ground floors.

The bags are delivered to the lobbies, opened and sorted by the messengers there and taken to the branches concerned.

When the transit messengers have completed the delivery of the papers they collect from the lobbies on their return journey all papers, &c., which are to be passed through the transit or sent to the Registry to be closed and put away.

(There are seven deliveries and collections of papers daily, namely, at 9.30, 10.30, 11.45 a.m., and 1, 2.30, 3.15 and 4 p.m.)

The branches to which the registered papers collected by the transit messengers on their return journeys are then recorded in loose-leaf ledgers in the transit section by the serial number, and in order to secure the accurate keeping of this record, it is arranged that all papers should be sent *via* the transit section to the subdivisions to which they are marked. Should a paper be sent by hand from one subdivision to another the regulations require that the information requisite for record in the transit section should at the same time be inserted on a "pink slip" and sent to that section.

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Assuming that these rules are complied with, it should be possible to discover, at any time, the whereabouts of a paper in circulation, and it is distinctly in the interests of all concerned that these regulations should be strictly observed. The keeping of transit books in the subdivisions is forbidden for the obvious reason that such a course serves only to duplicate work, which is "Common service," the performance of which is definitely allotted to the Registry, and any subdivisional action of the kind must have the effect of delaying the passage of the paper to its destination, whilst there is also the danger that it may lead to avoidance of the rule requiring the paper to be sent to the recognised place of record.

Apart from the duty of recording the transit of papers the Registry is in no way responsible for papers in circulation, although in the case of "missing papers" where after, and only after, every search has been made without success by the subdivision to which they are charged, the Registry will, on request, place the paper on the "Search List" with the view to a special attempt being made by its "searchers" to trace it. This, however, has never been regarded as a normal function of the Registry, and it is not intended to be resorted to save as an exceptional measure.

When action on a paper is suspended or completed the paper is returned to the Registry for custody, being marked either "p.a." (put away), "b.f." (bring forward), or "p.a. till." In the first case the "p.a." signifies that action is completed and the paper is to be "put away" in the Press, but where a paper is required later on and is only sent to the Registry for temporary custody, it is either marked "p.a. till" (a certain date) or "b.f." (on a certain date). The Registry takes note of these latter papers in a diary and is responsible for securing that the paper marked "b.f." is sent to the subdivision on the date mentioned; the "p.a. till", however, is regarded as cancelled if any communication on the same subject is received in the intervening period, otherwise, it also serves to secure the transmission of the paper on the date mentioned.

Before papers are marked "closed" and finally "p.a." in the Press, they are examined by the Registry to see that all the markings on the jacket are properly cancelled, that the files are complete and that any papers not belonging to the file are detached, but the responsibility for actually closing the paper rests with the subdivision, to which it was in the first instance correctly marked.

An index is kept in the Registry for the purpose of recording important decisions, but as this index is only meant to include those of prominently general importance, it is not intended to relieve subdivisions of the duty of keeping a record of such precedents and notes as affect their normal work.

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There is another important duty which devolves upon the Registry, namely, that of arranging for the "weeding" of papers with the view of destroying those which are not important enough to be retained. As is doubtless well known, every registered paper becomes the property of the Master of the Rolls, and can only be destroyed in accordance with the rules laid down in a schedule, which has been settled by the Rolls Committee on which the Department concerned is represented. In my day, and I imagine the rule still obtains, the most trivial registered paper could not be destroyed for three years after its registration. Having this in mind, we arranged that returns and a number of papers of ephemeral importance should be sent to the branches unregistered, leaving it to them to send to the Registry for registration any one on which they desired to write letters or raise a discussion. This had the very desirable effect of limiting registration and of relieving the pressure on storage space, with the result, in fact, that the unregistered returns, &c., represent $2\frac{1}{2}$ times the number of those registered. I have ascertained that the number of *registered* papers last year was 233,426, and I may say that the peak period was the year 1919 when it was 4,360,160.

Naturally during the war no staff was available for "weeding," and it was not until 1921 that this duty was resumed by the re-employment of a staff of 24 retired Civil Servants. In 1926 this staff was reduced to 4 and later on to 3. In all, 6,400,000 files have been examined, of which only one million have been retained; over 1,200,000 war files still remain to be dealt with, but, I am given to understand, are being dealt with at the rate of about 250,000 annually.

Of course the clerks engaged in "weeding" act under a strict code of instructions, and the fact that only those of experience and knowledge could be allotted to the work, made it desirable to resort to the employment of retired officials of a certain class to deal with the aftermath of the war. The staff now allotted for the normal work is, I am informed, 1 higher clerical officer and 1 clerical officer.

Such, briefly, is a rough outline of the salient features of the Central Registry of the War Office, but the full details of its method of working are to be found in the "Office Instructions" to which I have referred and, although I am unable now to speak with authority on the subject, I have little doubt that the War Office would be willing to supply a copy to any Department that might desire to have it.

The ideal plan would be to attach each clerk, on joining, to the Registry, and to fill all vacancies in the staff by transfer from that subdivision, thereby securing the double advantage that the transferee would be in possession of some knowledge of the "make up" of official papers, and that he would have that inherent knowledge of

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Registry methods which would induce a compliance with its rules. To the best of my ability I acted on this plan, but the limited "intake" of staff during the period from 1903, when I took charge, until the outbreak of war—during the duration of which there was obviously no chance of doing anything in the matter—gave but little opportunity of effecting the purpose I always had in view.

I am glad, however, to learn that the practice has been recognised and adopted as far as possible, and I have no doubt that it is essential both in the interests of the men themselves as well as in that of the Department that this should be the case.

To sum up then, my views are as follows:—

- (i) That a Central Registry is the most solid foundation on which the organized work of an office can be built.
- (ii) That a subject system, whether by cards in a small Department, or in larger Departments by a plan similar to that in existence in the War Office, is the most desirable.
- (iii) That it is of essential importance that there should be a high official in administrative charge of the Registry.
- (iv) That it is of the greatest advantage to secure that clerks on joining an office should be posted to the Registry, and that vacancies in other branches should, as far as possible, be filled by transfer from it.

Confusion in the Public Social Services

By RONALD C. DAVISON

[Paper to be discussed at the Summer Conference, Cambridge, June, 1934]

EXCEPT for the service of the Poor Law, all the main branches of British social administration are still very new. Even free public education and organised public health date no further back than the lifetime of living men, while the whole idea of the compulsory insurance of workpeople is still only in the probationary stage. None the less from the social angle, the rapid growth of collectivist services of all sorts in the last 30 years has already caused something like a revolution in our habits of life and in our ways of thought. Employment is still mainly free and individualistic, but we have supplemented wages by so many other forms of payments and services that at least two out of every three of the 34,000,000 men, women and children who comprise the wage-earning community are now the beneficiaries of one or more of our pooled public funds for the whole or part of every year. And, what is equally notable, the taxpayers and the contributors (whether also beneficiaries or not) are now accustomed to the necessity of sharing part of their incomes for these social uses to the tune of some £450,000,000 a year.

A Review of Administration

Looked at from a purely administrative point of view, what system or orderly set of principles can be discerned running through this immense structure of the social services? Is the Civil Service or any student of the subject in a position to give a reassuring answer, or any answer, to such a question? For the last 25 years some new and difficult administrative task has always monopolised attention—the War—Economy—Unemployment—Housing. Life has been one long adventure for the civil servant and the local government official. In Health Insurance, in coping with unemployment, they have had to explore new fields and to acquire a new technique in a hurry. In every case they have acquitted themselves well under difficulties, and it is not their fault if the structure as a whole now shows defects and lack of cohesion. Since the Report of the Poor Law Commission

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in 1909 there has, so far as I know, been no time found for any thorough review of British social policy nor of its corollary, an employment and wages policy. Obviously no British Cabinet could, by itself, attempt so vast and technical a task, but neither has it called upon its experts for the staff work that is necessary—a group, say, of the trained officials of the Ministries of Health, Labour and Education. Yet without some such authoritative body to survey the field of Employment, Unemployment, Health, Housing Relief and Education and the relation of each to poverty there is no hope of a concerted plan for our social operations, and it is hardly surprising that legislation has too often been of the *ad hoc* variety, unco-ordinated, ineffective and therefore wasteful. What we have achieved since 1900 is a haphazard piling up of well-meaning schemes, the precise objectives of which have been dictated by temporary crises in finance and politics and by passing fashions of administrative method. For instance, up to 1908, it was an article of faith that local government should be the repository and agent of all social reforms. After that came State old-age pensions at 70 and a new phase opened in which local administration and local finance began to fall under a cloud. Nothing less than nation-wide schemes under State management were acceptable and no new function, save Housing and slum clearance was definitely entrusted to local authorities. Again, up to 1911, public provision for the wage-earners and the poor was always on a non-contributory basis—even old-age pensions at 70. But subsequently a passion for the method of contributory insurance for wage-earners only, swept over Whitehall and was responsible for the four vast undertakings of Unemployment, Health, Old Age, and Widows' and Orphans' insurance by the State. This "insurance" phase lasted from 1911 to 1925, but since the onset of mass unemployment it has gone into a decline. The weakness of all contributory schemes in times of stress has become conspicuous. Rights and Needs have become entangled. The State Insurances are even in some measure found to be an embarrassment, inasmuch as they seriously cramp the hands of every government that wants to provide for the non-insured not less generously than contributory schemes are able to provide for the insured.

The first point, therefore, that I wish to make is the fundamental need of better staff work at the centre of government, in order to secure some uniformity of principles and of administrative methods. Without some agency for co-ordination and for bringing the whole field of our social enterprise under review, the community cannot hope to get full value for its existing efforts, nor can governments be expected to think clearly about new legislative projects. Nor is it

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primarily a political issue. We must learn how to make sense, administratively, of the collective services which are common ground no less to Conservatives than to Socialists.

Weakness of the State Insurance Schemes

Suppose, then, that such a "National Assize," composed of qualified experts, were to set about the great task here suggested, the first matter to engage their attention might well be the present condition of the British social insurances. They would have to take stock of the three contributory schemes for sickness, unemployment and pensions, together with the older non-contributory pensions at 70 and workmen's compensation. All the first three would be seen to be in more or less serious trouble. In all three the financial basis is either precarious or definitely unsound. Their "*limited liability*" principles have been treated lightly by responsible Ministers in difficulties and there is an almost ineradicable confusion in the public mind between contractual benefits, drawn as a legal right by insured persons, and the relief of poverty. Spasmodic but very powerful pressure is therefore brought to bear on governments to give higher benefits, because the prescribed payments do not meet all the needs of a minority of beneficiaries, or longer benefit periods because otherwise a great army of claimants will go unprovided for. The fundamental difference between Rights and Needs is not appreciated or is held to be merely a phrase invented as an excuse for economising public funds. Perhaps it is because both the contract and the contributions are enforced by the State and can be changed by politicians. However that may be, the rights so acquired from the State are not respected in the same way as rights acquired in voluntary or commercial insurance. Not only is it felt to be harsh that unemployed men and women should ever run out of Sickness or Unemployment benefits, but there is a demand that the rates of benefit should be sufficient to meet the needs of families in every type of circumstance. The idea of a needs payment is always being intruded, regardless of the fact that the whole conception of the original insurance schemes of 1911 was to get away from the needs basis and to encourage saving by the aid of the State. Such indeed has been the welcome result, and to-day the majority of prospective beneficiaries also make other provision for themselves through voluntary insurance, savings certificates, &c. Benefit plus their other resources then puts great numbers of them well above the needs level. But unfortunately hard times have created a large minority, who have no other resources or who run out of benefit. Modern opinion has shown itself to be definitely unwilling to leave these sympathetic cases of poverty to the basic Poor Law, which is a Needs service pure and simple. That,

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however, has been the only public resource when insurance benefits are insufficient or fail altogether, and, in spite of the real improvement of Public Assistance, in technique and in manners, since its reconstruction under the Local Government Act of 1929, the Poor Law, by its new name, seems to smell no sweeter. A less sentimental and more realistic objection is the financial weakness of local government in the face of any increased charges, a weakness approaching the point of bankruptcy in depressed areas. Added to this the vagaries of local politicians have been a frequent cause of indictment.

All this goes to show the frailty of the insurance method and the unwisdom of erecting our national contributory schemes "in the air"; that is, without acceptable services for the non-benefited to fall back upon. Broadly speaking, only two logical remedies for this state of affairs present themselves: either the contributory element (and the rights) in the national schemes could be abandoned in favour of some universal scheme of social assistance giving free allowances during sickness, old age and unemployment, or, if insurance is retained, for each contingency, a secondary scheme—a last line of defence like the Poor Law—could be built up behind insurance. The use and acceptance of these basic services, even if less pleasant than contributory benefits, could then be insisted upon. In practice, what has happened is that, since 1920, successive governments have been unwilling to grasp either horn of their dilemma, until ultimately the financial crisis of 1931 forced their hand in the most pressing case, namely that of unemployment. The system of free Transitional Payments to ex-insured claimants, after the exhaustion of their 26 weeks of standard benefit, was a kind of S.O.S. device and it has now been followed up by a project for a permanent centralised poverty service under the Unemployment Assistance Board. This last is a special portent, which will be discussed below; the usual method has been quite different. All governments have preferred to improvise on the insurance schemes themselves, even at the risk of principle. In every scheme, benefit or pension rights have been extended to non-contributors or to persons who, through unemployment, have failed to maintain their status in insurance. Take Unemployment Insurance before 1931: Between 1920 and 1930 the total amount of money drawn from the Unemployment Fund as a right, but outside the contractual limits set by the principal Act, was larger than the amount drawn within those limits. Rates of contributions were raised and raised again to meet the increased charges. At the end of the period the position was reached that a man who had had 30 days' work (each day in a separate week) in 18 years could draw benefit for ever and without any test of need. Moreover, as early

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as 1921 dependents' allowances were added for claimants with families, which meant that, as between bachelors and married men, equal contributions no longer attracted equal benefits. The Pensions Acts of 1925 and 1929 granted Old-Age and Widows' pensions as the initial right of over a million persons in respect of whom no contributions had ever been paid. Finally, in the case of both Health and Pensions insurance, Ministers of Health decided to disregard the non-payment of contributions for as much as five years on end, when the failure was due to genuine unemployment, and have discarded Health contributions altogether for persons over 65. There is, however, now a limit put to all but the last of these particular relaxations of contributory rules. Just as in 1931 there was a drawing back in respect of Unemployment Insurance, so in 1932 Parliament set about safeguarding the funds and principles of the Health and Pensions Schemes. That Act laid it down, as a general principle, that cash benefits could only be granted at the full rate where the claimant was, through unemployment, not more than six months in arrears with his contributions. Credit was given for only half the weeks in a full year of unemployment and, if, after giving that credit and allowing also for any weeks of sickness, there were less than 50 contributions in the past year, then there was to be proportionate reduction in the rates of benefit. But these reductions were not to be enforced until 1st January, 1934. Pension rights are to go one better, but they will also be affected a year later in 1934.

Provision for the ex-Insured

But what is now to be the position of large numbers of ex-insured persons who are losing their rights in the Health, Pensions and Unemployment Schemes after the expiry of the widely different time limits in each case? In future the needy families in this class, whose bread-winners are sick, will have to apply to the local Public Assistance Committees for maintenance and the same fate befalls old persons attaining the age of 65. No special provision is being made for them at present. For their medical treatment there will be no panel system, but only the usual resources of the uninsured, that is private hospitals and private doctors or failing them, the District Medical Officers of the local authorities. The latter is the basic medical service and it is still tied up with the Poor Law. Can it be made to fill the gap in its present form? That D.M.O.'s are already alarmed at the actual or prospective increase of their burden (without, apparently, any increase of pay), is shown by the case of the County of Durham. Recently, it was stated that already 15,000 insured persons in that county had lost their rights to medical benefits and that 24 Poor Law Medical Officers (D.M.O.'s), taking time by the forelock, had applied

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for increased remuneration. The moral is obvious: when upwards of, say, 250,000 ex-wage-earners in Great Britain are added to the class of the "medically destitute," the domiciliary Health service of the local authorities will have to be strengthened to provide for them. Surely a new and potent argument is thus at hand for the establishment of a proper public medical service, complete with district dispensaries, to minister to the needs of working-class districts. And once that step is taken it is hard to see why the whole panel system, including the Local Insurance Committees, should not be merged into a co-ordinated local medical service. The machinery of National Health Insurance would then have the more limited function of collecting contributions and distributing some £16,000,000 a year in cash benefits. The balance of £9,000,000 in the National Health Insurance Fund could be used in the form of grants to the local authorities for providing the statutory medical treatment (free) to the qualified class of insured persons. To the unqualified and to the dependents of the qualified, the same restorative service would be open, though, in their case, on the usual basis of recovery of a fixed scale of low fees which, if need be proved, can be remitted. 99655

In the case of unemployment a different kind of experiment is now in course of preparation. Part 2 of the Unemployment Bill does not follow the recommendations of the Royal Commission of 1932, and the Government have finally rejected the possibility of co-operating with local authorities in the provision of a supporting service which can stand behind contributory unemployment insurance. For the million or more ex-insured unemployed and for nearly all the non-insured able-bodied under 65, who have normally earned less than £5 per week, entirely new arrangements are being made. The recently reconstructed Poor Law, with its essentially and traditionally local status, is being discarded in favour of a new centralised service, which is none the less a poverty service for not being called so. It is a venture of the greatest significance for the future. Contributory Insurance, giving flat rates of benefits to genuinely unemployed contributors for limited periods, is still to be the first tier, and is to be managed by the Ministry of Labour. As the third tier, the local services of Public Assistance, Public Health and Education (medical attention and school meals) are to continue to deal with the varied needs of the poor as a whole, including the residual needs of families receiving payments under the State schemes. In between the national insurance and these local services, the Bill interpolates the Unemployment Assistance Board to deal with one special type of poverty—i.e., the poverty of families, one of whose supporting members is unemployed and satisfies a modified Needs Test.

Obviously the framers of this scheme were not thinking of poverty

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problems as such, and were little concerned with the better co-ordination of the different services dealing with the interlocked problems of the family group—the troubles of the sick, the mothers, the children and the old people sharing the home, not omitting the housing conditions of the home itself. The assumption of the new policy is that the needs of “unemployed” families and ordinary social poverty are in separate categories and can be distinguished in practical administration. That is a bold assumption, though no one is blind to the political convenience of making it. It is, however, likely to prove fallacious; and the question for the future is: what will be the impact of the Unemployment Assistance Board upon other national and local social services, wherever two or more authorities find themselves dealing with the same families? The need of school meals, or residential schools for children or of free medical attention for children or uninsured adults, all these are the local authorities’ concern and are administered subject to local tests of means and local recovery of cost. In thousands of homes the local poor law will play Box and Cox with the new Board, in accordance with the ins and outs of employment of one member of the family. Local rent rebates, as in Leeds, on a means test are coming increasingly into vogue. But what is to happen when two poverty services, one national, and the other local and each with its own means test, are operating in the same home? One or the other service must dominate and bear the basic responsibility.

Fortunately, schemes in action sometimes look better than the legislative instruments which sanction them, thanks to the talents of our civil servants. It is early yet to prophesy. But it is surely not too early to suggest that the sheer momentum of the Government’s large-scale centralising policy may soon lead on to the central control of at least the remainder of the poor law, *i.e.*, the relief of the old and the sick and their dependents. But if these and perhaps greater changes are indeed to come, surely they should be the subject of some deliberate and forward looking plan for the social administration of the future.

The Unemployment Assistance Board may also prove a new danger to the precarious structure of Unemployment Insurance. Its free allowances are to cover total monetary needs, including rent. They are to be granted above benefit rates, wherever the Board so decides, among the two or three million cases that will come to them in the course of a year. This means that the fully-covered insured contributor will often find himself drawing less in benefit than the non-contributor draws in allowances at the same Employment Exchange. Moreover, since the involuntariness of the unemployment is not a condition for the allowances, the man who has been refused

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insurance benefit as a result of his own personal fault, may then proceed to draw as large or a larger allowance from the Board. It may be soon to say that no contributory scheme can endure against this kind of competition, but, the establishment of two separate centralised services to do the same job for the same class of people does not, on the face of it, look either logical or permanent. In effect the Treasury has to stand behind both schemes, thus presenting a new argument to those who repudiate contributory schemes altogether and demand some kind of uniform State payment with or without a means test for all types of unemployed persons.

The New Idealism

Finally, it is necessary to stress the current change in the public temper towards all these forms of social assistance. Simultaneously with the Unemployment Bill and to some degree inspiring it, there has been an increasing dissatisfaction with the rates of benefit, which the Unemployment Fund can afford to pay, even if relieved of its weight of debt. Health and Pensions benefits are meeting the same condemnation. Fears born of the finance crisis of 1931 have worn off, and we are now launched on a new wave of social optimism, even stronger than that of 1928-1929. An upward revision both of benefits of basic relief, rent remission, a children’s minimum and allowances based on one or other of the scientific estimates of the cost of decent living—all these are current demands. If they are granted, they are bound to affect the very bases of our social insurances and welfare services, not to mention the whole wage system. And this ampler redistribution of income is to be accompanied by no stigma and no deterrence. Certain kinds of family resources are to be disregarded and the old idea of a Needs Test is in process of transformation.

The Issues Summarised

Broadly speaking, all the above issues derive from one cause—continuing unemployment. It is this which has shaken the contributory foundation of our Health, Unemployment and Pensions Insurances, and has helped to stimulate dissatisfaction with the limited benefits which these three funds can afford to pay. Must we therefore contemplate the abandonment of the contributory insurances and the decline of our great experiment in state-aided thrift? Even if employment improves, we can no longer pretend that any strict contributory schemes based on employment will cover the whole field, and, if, at the same time, society decides to give equivalent or better services to those who do not or cannot get employment, the

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whole elaborate paraphernalia of our insurances may well seem to be a waste of effort. There is nothing to insure against.

On the other hand the Treasury would be hard put to it if they had suddenly to find some substitute for the contributory finance of social insurances; and what of the political obstacles? The only practicable alternatives to insurance are schemes of social assistance *based on needs and not on rights*. However, lenient these needs tests may be and however generous the scales of assistance, would the mass of British workers ever be prepared to yield up their insurance privileges of drawing fixed benefits, including medical services and pensions, as a legal right? The answer to this is hardly open to doubt.

The second great impending issue of social administration is the future of the existing local services. Are they to remain local and subject to the mandates of local electors? And, if so, can they be made to dovetail uniformly and efficiently with the great and growing State services? Or is the administration of the future to become more and more centralised and bureaucratic? To-day the public services are being called upon to make a more effective attack upon the many-sided problems of poverty, but, assuredly, that attack will fail unless it is orderly in its parts and is conducted along the lines of a co-ordinated plan.

The Relations between the Statutory and Voluntary Social Services

By ELIZABETH MACADAM, M.A.

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[Paper to be discussed at the Summer Conference, Cambridge,
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WE have been reminded by the writer of the preceding paper, Mr. R. C. Davison, that British social administration with the exception of the historic Poor Law is still very new. Its most active period of expansion coincides with the present century and many of us here present to-day have watched, even participated in, the different stages of its development. On the other hand, the British tradition of private benevolence is ages long. For centuries it functioned through the monasteries and churches. It was not until the end of the seventeenth century that societies for different forms of social amelioration began to be formed, and in the eighteenth and nineteenth centuries, the period of the philanthropist set in. As long ago as 1810 the indispensable *Charities Register and Digest*¹ of modern times was anticipated by a primitive handbook of London Charities published by a solicitor so far in advance of his time as to advocate the registration of charities, an elementary form of good organization even now very far from general. This volume dedicated to "an astonished posterity" describes itself as "a splendid record in which there is not a need of man (and to these may be added the interment of the dead, a principle always inherent in our nature) which does not find ready help."²

The nineteenth century brought into existence a wealth of voluntary institutions dealing with every aspect of life. "It was the age of Trade Unions, Co-operative and Benefit Societies, Leagues, Boards, Commissions, Committees for every conceivable purpose of philanthropy and culture. Not even the dumb animals were left without organized protection. The nineteenth century recalled the Middle Ages in its power to create fresh forms of corporate and

¹ *Charities Register and Digest*. Longmans, Green & Co. Published annually.
² *Pietas Londonensis*. Highmore, 1810.

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institutional life, while yielding little to the eighteenth century in the spirit of self-help and personal initiative."³

The rigidity of the reformed Poor Law, post-Napoleonic war depression, the growing spirit of humanitarianism combined with the revival of corporate life described by Trevelyan were no doubt responsible for the welter of charitable schemes that came into existence during the first half of the century. It was not until the late 'sixties that more scientific ideas began to prevail. A group of social reformers became dissatisfied with the confusion that reigned and the Charity Organization Society was formed. The famous "Minute" issued by Mr. Goschen as President of the Poor Law Board and inspired by that Society may be said to be the first official attempt to establish relations between the statutory authority and voluntary charitable agencies. This new spirit of critical inquiry and ordered collaboration had another unexpected and, in some quarters, unwelcome manifestation. It inevitably led the way to State intervention and one by one the services which had been initiated and worked out experimentally by voluntary bodies were taken over by the public authority—the care of the sick, the aged, the physically defective, the widow and orphan, the school child and the unemployed; in short a network of statutory social services was established which covered every need of man from birth to death.

It is pointed out in the "May" report on national expenditure that no precise definition of the term "social services" has yet been laid down. The nearest approach to such a definition is to be found in a return now presented annually to Parliament, commonly called the "Drage" report⁴ because its publication was due to the persistent efforts of Mr. Geoffrey Drage, the industrious and distinguished critic of State intervention. This return covers expenditure under no fewer than fifteen Acts of Parliament though it omits several which might well be brought within the same category. That such an annual return should be presented is in itself a recognition of the fact that certain services dealing with public welfare have so much in common that it is expedient to group them together for purposes of special consideration. The next step should be the formation of a permanent or interdepartmental board or commission which would be charged with the unification of these services and the concerted planning advocated by the writer of the preceding paper.

This brings us back to voluntary action. How has it been affected by the expansion of the statutory services which has characterized the present century? The answer is that, contrary to the gloomy predictions of opponents of State action, it appears to continue to

³ History of England. George Macaulay Trevelyan. Longmans, Green & Co.

⁴ Public Social Services (Total Expenditure under certain Acts of Parliament) Annual Return.

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flourish with true British pertinacity. Unfortunately, no figures of voluntary organizations are available for the whole country which are comparable to those tabulated in the Drage report for the public services. The only charities in this country which are officially registered are endowed charities, war charities and charities for the blind. This is a very serious weakness in statistical data and should be remedied without delay. Of the registered charities over 50,000 endowed charities come within the jurisdiction of the Charity Commissioners, 500 are war charities (some on a very large scale) and there are 247 charities for the blind alone. There are, however, certain other figures available which give us some slight clue to the extent of charitable expenditure. The London Charities Register and Digest up to the year 1927 gave annual figures for the metropolitan charities included in its pages which showed a turnover of about £15,000,000 in that year.⁵ The Liverpool Council of Social Welfare publishes annually a financial statement of certain Liverpool Charities which in 1931 showed a total expenditure of over £926,000. These and similar figures at least indicate that the total expenditure for the country as a whole, if all charities including those of the churches and religious bodies were included, would reach a very high figure. The admirable handbooks issued by the National and Local Councils of Social Welfare show a multitude of societies for every aspect of human need which in view of the high totals of public expenditure may with more reason than a century ago, to quote Highmore's dedication, "astonish posterity."

If we examine the explanation of this phenomenon, we find that though voluntary effort persists it has changed its character. It has almost imperceptibly adapted itself to the changed conditions. Trevelyan tells us that the new partnership between State and private action began to operate as long ago as the close of the reign of Queen Victoria. "Voluntary and private effort, aided by the State, did many things that in other countries were done solely by the State or not at all." This new relationship is still, it is true, imperfectly developed; in characteristic British fashion it has come about without deliberate planning or design. But it is there. It is not too much to say that Great Britain can show to-day a system of combined statutory and voluntary social service quite peculiar to itself. Nothing on the same scale comparable to it can be found in another country.

Other countries, watching us with mingled admiration and criticism appreciate this new technique better than we do ourselves. In a book by a shrewd foreign observer, Great Britain is described as "un exemple de service coordonné . . . pays d'initiative indi-

⁵ It is hoped in the next issue of the Charities Register and Digest to bring these figures up to date.

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viduelle mais en même temps de discipline volontaire, la Grande Bretagne nous montre à la fois une floraison magnifique d'organisations privées et une extension constante de l'action des pouvoirs publics."⁶ We turn now to examine this example of "service coordonné" in order to discover whether this high praise is justified or not.

We find, in the first place, that there exists no antagonism between the official and the volunteer. There are, of course, bureaucrats who regard with impatience any intrusion in the official sphere. But for the most part, even the unpractised voluntary worker is accepted with tolerance, and experience and competence soon win confidence and respect. In private life, civil and municipal servants themselves are active members of voluntary agencies; instances may even be cited of officials acting in the capacity of honorary officers of such societies, even of groups of public servants undertaking the responsibility of some special form of private effort. (An example of this is found in the "adoptions" of towns in distressed areas by the staffs of government offices.) Many public servants when they retire from official duties at a comparatively early age are ready and willing to pass on to voluntary bodies their ripe official experience. It is not too much to say that in all ranks of the public service, from the permanent secretary or head of department to the postman or typist, are to be found those who give a share of their leisure to some form of personal service.

In our examination of the different forms taken by the voluntary services it will be convenient to divide them into two main groups—first those which operate as part of the public service and, secondly, those which function under independent control.

Voluntary Effort Inside the Public Services

Turning to the first group, few people realize the immense extent of unpaid national service. Foreign visitors to our shores are overwhelmed with amazement at the amount of work which we, in this country, manage to extract without fee or reward from all classes of the community. This unpaid service includes of course those who serve as elected representatives of the people and those who are appointed as justices of the peace, members of Royal commissions, statutory and advisory committees or as co-opted members of local authorities. The number of men and women who serve the country in this way must reach a very high figure and it shows no signs of decreasing. On the contrary, recent legislation appears to be leaning in the direction of still further developing this method of utilizing the help and advice of non-official persons. In London alone, since the

⁶ *Le Service Social à travers le monde* by René Sand. Librairie Armand Colin, Paris.

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Local Government Act of 1929, over a thousand co-opted members have been found for relief, hospitals and other institutional committees.

Some years ago in an address to the Society of Civil Servants, Sir Arthur Salter pointed out that as legislation, general debates and parliamentary questions became less and less adequate as an expression of democracy, he thought it probable that in one form or another, both Parliament and the public would insist on a more effective method of control of administration by committees. "Committees," he says, "are an invaluable instrument for breaking administrative measures on to the back of the public." The most recent example of this tendency is to be found in the Unemployment Bill under which committees are to be established throughout the country "for the purpose of securing the advice and assistance of persons having local knowledge and experience." Speaking in the House of Commons in February of this year, the Minister of Labour expressed the opinion that the clause of the Bill providing for these committees will turn out to be one of the most useful in the whole Bill.

"Patronage" in the Voluntary Services

There are, however, dangers of abuse in this very praiseworthy and desirable utilization of unpaid service which are not at first apparent. In the first place, the party system plays too important a part in the personnel of members of elected bodies. It excludes altogether many experienced workers outside the ranks of the dominant party of the day or area, and even if such workers do contrive to secure election their careers of usefulness may be brought to an abrupt conclusion owing to defeat at a contest turning on some party issue totally irrelevant to their work. Party considerations also apply to some extent in the appointment of magistrates. The office is much sought after and is regarded as a social distinction, too frequently the reward of past services in the political or other field, rather than a highly responsible post demanding very special qualifications and experience. Appointments on commissions and committees when representative are less liable to criticism, but too often they are entirely haphazard—the outcome of a chance conversation in influential circles, the recognition of the claims of an out-of-work politician or administrator rather than the considered judgment of capacity and qualifications. Patronage has largely disappeared from the Civil and Municipal Services and candidates are now selected on their merits. Why should it be perpetuated in this form in the voluntary services? We need a Sir Gregory Hardlines⁷ to-day who, regardless of unpopularity, will insist on a thorough overhauling of the method of selection of members of the unpaid voluntary services of the State.

⁷ *The Three Clerks*. Anthony Trollope.

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Voluntary Effort Supplementing Official Action

Voluntary effort inside the public services finds expression in another less conspicuous but not less useful shape—individual work supplementing official action. Instances of this may be found in public assistance, after care, school care, maternity and infant welfare. Lord Passfield, at one time himself a civil servant, has aptly compared such auxiliary services to the extension ladder that draws out length after length to enable the worker to reach greater heights and deprecates what he calls "the parallel bars theory" of public and private services. "We need the voluntary worker to be the eyes and fingers of the public authority . . . as the circumference of public authorities is extended the greater becomes the periphery." Such voluntary services inside the machinery of the State naturally lose something of their freedom and spontaneity but they gain in stability and perseverance and provide a valuable method of lubricating the machine, keeping it sensitive and responsive to the human needs it seeks to serve.

Voluntary Action under Independent Control

If we pass from voluntary effort definitely inside the framework of the statutory services to associations under private control, we find that almost every modern charitable, educational or social welfare organization functions in some measure of relationship with the corresponding public service. This may be seen in the very important group of self-governing institutions organized and controlled by the beneficiaries themselves, such as Trade Unions, Friendly Societies, Co-operative Societies and the Workers' Educational Association. Such organizations have by their pioneer experiments anticipated the State and now in many cases, as in health and unemployment insurance and in another direction, in adult education, occupy a permanent and honourable place in the social structure. In contradistinction to the above, charitable societies, though much more democratic in their management now than in the past, are largely run by the better-off section of society for the benefit of the less fortunate class of the community. They are of infinite variety and operate for every aspect of human need; the dumb animals are not forgotten and even the wild flowers have their Green Cross Society. But though characterized by the freedom and elasticity of private enterprise, their activities, whether eleemosynary or for general social well-being, are seldom entirely independent. In one way or another, by grants, subsidies or joint schemes for action they are almost invariably linked to the now all-embracing activities of central or local government.

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Research or Experiment and Propaganda

There remains, however, one line of voluntary action which offers an almost endless scope—propaganda, research and experimentation. It is true that the State plays its part in scientific investigation into the facts and causation of social problems. The census, commissions and committees of inquiry and research are examples of this and here again, we find instances of collaboration with Universities and societies existing for scientific research. Even propaganda is carried on by the State to-day since subjects that were fiercely controverted in one generation, became the commonplaces of the next. But private action can penetrate deeper than the State. It can push in front of public opinion in unpopular, unfamiliar regions. The propagation of ideas which have not yet been accepted as part of the currency of thought offers an unchallenged opportunity for private initiative.

Criteria of Voluntary Service

In a recent book⁸ I have attempted a more detailed examination of the relations between statutory and voluntary services in different departments of social enterprise such as public health, housing, education and the administration of justice. My survey reveals the true British rule-of-thumb nature of this alliance. It is almost impossible to see on what principle certain activities have been taken over by the State while other analogous activities have been left to private action but broadly speaking my researches have led me to the following rough and ready criteria as to the most appropriate sphere for voluntary service:—

1. Social schemes which are experimental and of insufficiently recognised value to have yet acquired a claim on the State.
2. Social activities which call for more individual or specialised work than can be expected from public authorities or at the public expense.
3. Associations of citizens which act as watchdogs protecting particular classes or interests and bringing pressure to bear on the State to amend existing or to introduce fresh provisions for social needs.

Though my examination bore out the thesis with which I set out—that a new technique between public and private action had been evolved during the expansion of State intervention during the last 40 years, it showed that its development was still very imperfect. This is largely due to the absence of any recognised framework of co-ordination. I have already proposed the establishment of some

⁸ *The New Philanthropy—A study in the relations between the statutory and voluntary social services.* By Elizabeth Macadam. Allen & Unwin, 1934.

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form of permanent consultative board or committee to collate the different statutory services. A central charities board and a universal system of official registration of voluntary agencies is equally necessary. Such bodies as the Charity Organisation Society, and more recently Councils of Social Welfare in London and different parts of the country, have done and are doing much to promote close working relations. But there is little hope of the concerted plan for the national social policy urged by the writer of the preceding paper until the vast expenditure of time and money is brought into line with the corresponding State expenditure. Here and there, promising experiments in such official collaboration may be observed, notably in the region of public health and education, but the administration of our social services can never be satisfactory until they are considered as a whole—statutory and voluntary—and not, as at present, in isolated patches.

Opposition to Voluntary Effort

There is a tendency which cannot be ignored, in some quarters, to depreciate voluntary action; this is possibly a reaction from the equally marked tendency in the opposite direction to over-estimate its potentialities in a modern state. One school of political thought still places its trust in private initiative; the opposite school would wholly eliminate the voluntary element. Both those divergent views are due to superficial understanding of the changes that have taken place in the alignment of social forces. It is not the value of voluntary service that should be in question; it is the position which it should occupy in the structure of the social services. The Majority and Minority Reports of the Royal Commission on the Poor Laws show the difference in emphasis between the two schools of thought. The Majority Report recommended a statutory scheme of voluntary aid councils and committees as part of the proposed machinery of public assistance. The Minority Report denounced this proposal though it laid it down as a principle that the utmost use should, under proper conditions, be made of voluntary effort *within the framework of the public authority*. Private action has its undoubted limitations and these must be recognised. In their study of English local government,⁹ Sidney and Beatrice Webb admirably sum them up: "What the munificent private donor or the charitable public must not do, either individually or collectively, is, by their generous but altogether inadequate gifts, to stand in the way of the execution of a duty or the assumption of responsibility by the public authority or to delay, impede or hamper its action." There remains, as we have seen, ample opportunity for the exercise of the personal endeavour which will enrich and humanise the public services.

⁹ English Local Government. By Sidney and Beatrice Webb, Part II, Vol. II, p. 795.

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The Voluntary Organisation as Watch Dog

Whatever may be the future of the alliance between the private organisation or individual and the state, it is difficult to believe that the day will ever come when the voluntary association for this object or that will not remain part of the structure of British society. In a fine passage in a recent address before this Institute, Mr. Baldwin makes an appeal for respect for "the indiosyncracies of men" and refers to the growing use of voluntary agencies by the Government, "as a means of rescuing the citizen from the standardising pressure of the State's mechanism." It is true that the political party of which Mr. Baldwin is the leader, though perhaps not perhaps a typical exponent, resorts reluctantly to State intervention when all else fails. But even with the State the predominant partner in modern British social policy, as it undoubtedly is, his words remain true. This inherited, deeply-rooted habit of inter-party, interdenominational, inter-class association is one of the most powerful safeguards which this nation possesses against the baneful interference with freedom and personal liberty that has overtaken other lands.

The Administrative Problem of Unemployment Relief in Germany

By Dr. L. RICHTER

AN attentive observer of international social policy is forced time and again to note the similarity of the problems affecting prolonged unemployment with which the Governments of Great Britain and Germany are called upon to deal.

At the present time the regulation of unemployment relief is, if possible, even more complicated in Germany than in England. Originally an unemployed person who could show that he had paid a certain minimum number of insurance contributions, had a legal claim to unemployment benefit (standard benefit) for a period of 26 weeks; after the expiry of this period he could receive emergency benefit (transitional payments) for a further 26 weeks, in so far, however, as he was in need. The determination of this question of need was the responsibility of the Relief Committee (Public Assistance Committee) of the Local Authority, which formerly had to provide one-fifth of the costs of emergency benefit. If, after a year, the unemployed person was still in need, no further emergency benefit was payable, but the Relief Committee had to provide assistance at the expense of the Local Authority in the same way as for persons who were not insured at all. Since June, 1932, the period for the receipt of standard benefit has been reduced to six weeks. Upon the expiry of this period transitional benefit, subject to proof of need, becomes payable. In this way the Insurance Scheme was relieved but at the same time new burdens were placed upon the Local Authorities, in particular those in industrial areas in which there were large numbers of long-term unemployed. Not a few of the Local Authorities were brought to the verge of bankruptcy through the burdens of unemployment relief. Measures had to be taken to assist the Local Authorities. The limitation of the period for the receipt of transitional benefit was removed, so that the numbers of unemployed to be relieved at the expense of the Local Authorities cannot increase any further. Furthermore, the Local Authorities were relieved of the obligation to participate in the costs of transitional benefit, the whole expenditure for which was assumed by the Reich, and finally the

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Local Authorities were afforded considerable assistance from national funds towards the costs of the relief of the unemployed for whom they are responsible.

In spite of these simplifications there are at the present time in Germany, as in Great Britain, three groups of able-bodied unemployed who receive assistance from public funds:—The small group of recipients of standard benefit, the recipients of transitional benefit and the able-bodied unemployed in receipt of public relief through the Relief Committees (*Wohlfahrtserwerbslosen*)¹. The last group comprises, along with insured persons who have exhausted their claim to standard or transitional benefit, persons not liable to insurance, such as domestic servants, agricultural workers, and persons whose income exceeds the limit fixed for insurance.

The authority responsible for the payment and assessment of standard benefit and emergency benefit is the Federal Employment Exchanges and Unemployment Insurance Board, a public corporation of an official character, which is under the supervisory control of the Federal Minister of Labour, and in the administration of which the associations of employers and workers participate. The Federal Board is organised in divisions (13 in all) embracing the whole of the country, and these divisions are again subdivided into Employment Exchange districts. In recent years the autonomous administrative powers of the Federal Board have been very severely restricted in favour of officials designated by the Federal Minister of Labour, so that the divisional authorities now occupy much the same position as the divisional authorities under the British Ministry of Labour. In the administration of transitional benefit the local organs of the Federal Board co-operate with the Relief Committees responsible for the investigation of need. Unlike the organs of the Ministry of Labour in England, the Employment Exchanges in Germany are bound by the decisions of the Relief Committees only if need of assistance is denied. On the other hand they have the right to reduce the suggested amount of relief or to refuse relief altogether.

For a long time it has been recognised that the present system stands in need of reform. It is inequitable, since without valid reasons it results in anomalies in the treatment of the various groups of unemployed persons. It is unfair to those Local Authorities responsible for large numbers of unemployed. It is unsatisfactory, because, in the administration of transitional benefit, it associates Employment Exchanges and Relief Committees in a manner which necessarily occasions friction, and, in point of fact, has frequently

¹ At the end of April, 1934, there were in the whole of Germany 2,608,000 recipients of benefit or relief comprising 278,000 recipients of standard benefit, 841,000 recipients of emergency benefit, and 883,000 able-bodied recipients of public relief.

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done so. Moreover, the system is such that it cannot be said that it ensures an effective and economical expenditure of public moneys.

The proposals for reform are many and varied. The most radical contemplate the abolition of insurance in view of the short duration and the limited amount of the benefits it provides. The moneys provided hitherto by insurance contributions and by taxes levied at the present time for the relief of unemployment should, it is claimed, be converted into a uniform levy and the proceeds be made available to the Local Authorities for the relief of all able-bodied unemployed persons who are in need. As against this proposal it is claimed that a system of insurance would soon be in a position, when the economic situation improves, to restore benefits to the earlier level, and that the valuable principle of insurance should not be hastily abandoned under the pressure of the economic crisis. Opinion on these questions is, however, very divided.

There is, nevertheless, unanimity regarding another reform proposal, viz., that the unemployed who receive transitional benefit out of national funds, and those who are relieved by the Relief Committees at the expense of the Local Authorities should in future be grouped together and subjected to a uniform regulation. There is considerable divergence of opinion, however, on the question whether the relief of these unemployed persons should be entrusted to the Relief Committees or should continue to be the responsibility of the Employment Exchanges; in other words whether this duty should be carried out through local administrative organs or through organs of the central administrative authority. As can be seen, the differences regarding this matter are very similar to those in this country affecting the question whether the assistance of the able-bodied employed should be a responsibility of a specially constituted Board as contemplated by the Bill, or of the Local Authorities subject to strict supervision by the State in accordance with the recommendation of the Royal Commission. In Germany, during the past year, this question has almost ceased to be publicly discussed. Since, however, this is a matter which is not of a purely political character but a matter of social equity and effective administration, it may be assumed that the arguments which previously were advanced by distinguished experts for and against either solution, still have the same force.

The advocates of a national authority favour in the main the system of administration through the Employment Exchange. They point out that the investigation of ability and willingness to work, upon which the payment of benefit is conditional, can only be carried out through the Employment Exchanges as the responsible authorities for the placing of unemployed persons. Any division of the unemployment relief system through the transference of responsibility for relief to

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the Relief Committees would operate to the disadvantage of the unemployed and lead to a disturbance of the labour market. On behalf of the Employment Exchanges it is also claimed that the form of official organisation in which the subordinate units are subject to a common authority and to a central direction is best adapted to ensure a uniform administration of relief and, in particular, the payment of benefit according to uniform principles in the various localities—results which could scarcely be achieved through the relatively independent Relief Committees. Finally, on behalf of the employment exchanges it is claimed that there are psychological factors which must be taken into account. The unemployed person is accustomed to dealing with the Employment Exchange. He would find it humiliating to have to apply for relief to the Relief Committee, to which still attaches the stigma of the old Poor Law system.

These arguments were strongly attacked by theorists and practical experts in social policy, even before the advent of the present German Government. Among those who opposed the establishment of new official machinery and advocated entrusting responsibility to the local authorities, one of the foremost was Herr Popitz, at that time Professor at the Berlin University and previously for a long time Secretary of State in the Federal Ministry of Finance. At the present time he is Prussian Finance Minister in the Cabinet of General Göring. He is supported by many persons experienced in the practical work of local administration, many of whom are well known. The arguments advanced by them deal with questions of principle and are concerned with the fundamental questions of the distribution of functions as between the State and the Local Authorities.

In Germany for centuries past it has been the duty of the Local Authorities to provide for those persons in their respective areas who have permanently or temporarily been deprived of the means of providing for their economic existence. This is a sphere of activity that is peculiarly one for the exercise of independent powers by the Local Authority and in which the exercise of independent powers has led to eminently satisfactory results. From the German point of view it would be depriving the Local Authorities of one of their central functions if responsibility for the able-bodied unemployed was taken from them and vested in a special national authority. Not only would this be detrimental to the principle of independent local administration, but those persons for whom relief is to be provided would be prejudiced, since, from its very nature, the provision of relief is not one of the functions which can be exercised by a special national authority. A task as difficult as that of the provision of relief can be dealt with adequately only by using all the influences and facilities available in an organised community. It should not be

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forgotten that the problems of providing relief for the able-bodied unemployed are closely connected with the other relief functions for which the officials of Local Authorities are responsible. A special national authority would have the effect of a foreign body within the sphere of activity of the local authority, and the relationships which it would of necessity have to establish with the local relief institutions would be artificial and incomplete.

The difficulties with which an authority independent of the Local Authority would have to contend are peculiarly evident in the work of the determination of need. This work can only be carried out on the basis of an exact knowledge of personal and local circumstances. The Local Authorities have had at their disposal for a long time an excellent staff of professional and, in particular, of honorary assistants who possess all the qualifications necessary for the work of inquiry. A new national authority would have either to utilise these assistants or to create a new staff. In either case overlapping and friction are inevitable. That such apprehensions are not merely theoretical has been sufficiently shown by previous experiences in Germany of co-operation between the Local Authorities and the employment exchanges. The difficulties can be effectually disposed of only if the carrying out of the whole task of relief is handed over to the Local Authorities.

The foregoing proposals should not, however, in the German view, be taken to imply that the Local Authorities are to be left without the supervision and financial assistance of the central government. This is an entirely separate question and the discussion has been greatly confused owing to the failure to distinguish adequately between the various problems involved. It is an old practice in Germany as well as in England for the central Government to make grants to the Local Authority for duties carried out on its behalf, and for it to exercise influence on the carrying out of the duties through the conditions which it attaches to the grant. By means of such grants made towards the cost of relief to the unemployed, which naturally varies in amount with the volume of unemployment, the central government is able also to level up differences in the burdens of individual local authorities. In particular, the Central Government can come effectually to the assistance of the depressed areas which exist in Germany just as in England. By means of the conditions upon which the grant is dependent, the Central Government is able to ensure that relief shall not be administered unsympathetically and that methods and allowances in neighbouring districts shall not be too much at variance.

Opinion in Germany no longer treats very seriously the fear that the unemployed may take exception to benefit administered by the

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Local Authority and consider it as in the nature of poor law relief. The actual stumbling-block for the unemployed is the means test. It will not be less repugnant to the unemployed if carried out by an official of the Central Government instead of the Relief Committee.

To the mind of many Government experts all these considerations are arguments against the formation of a central authority and for deputing to the Local Authority the task of unemployment relief under the control of, and with the assistance of grants from, the Central Government.

All the same it is not easy to anticipate which solution may be finally adopted in Germany. The great success of the Government in reducing unemployment—the number of unemployed has gone down by 3 millions—has at any rate made the problem less urgent and difficult.

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of many other things in Russia besides what we should call laws, and accounts for some of the wild discrepancies between the accounts of different visitors to Russia. I myself would definitely query some of Dr. Maxwell's statements, *e.g.*, with regard to the permissibility of abortion for first pregnancies; but I am not sure enough to do so with dogmatism. We probably had different informants! It is very important to know what Russian law says, and Dr. Maxwell is to be thanked and congratulated upon the amount of information which he has collected on this point. But in Russia, far more than in any Western country, it is important also to know to what extent and in what way and spirit the law is enforced or intended to be enforced; and Dr. Maxwell does not throw quite as much light on this point as he might, though it must be admitted that he realises its importance.

Some more stress, also, might be laid upon the extraordinary mutability of Russian institutions, both those which have official status, name and address, and those tiny and fluctuating groups which are called "collectives" of many kinds. Even the briefest visit to Russia, if it is undertaken for the purpose of really acquiring information, cannot fail to disclose the very large number of commissariats, committees and controls of various kinds which are here to-day and gone to-morrow, only to turn up the day after under a new and even less pronounceable name. Russians are not basically any easier to impose upon than Englishmen, but it would be difficult for an English newspaper to invent, as did the Moscow *Crocodile* not long since, an entirely mythical industry and impose it upon the public. But the Russian has seen so many State trusts, &c., arise like mushrooms in the night, that he is perfectly prepared for a new one. Similarly, the carrying-out of Russian "norms" is so largely done by an enormous variety of small semi-spontaneous groupings of workers, &c., of different kinds and of very varying interest and ability, that generalisations, in many cases, have little or no meaning. Russia, that country of iron dogma, has in some ways the most flexible administration in the world.

To say this, however, is only to suggest some ways in which Dr. Maxwell's study might be supplemented, and not to detract from it. Every student of Russia must be grateful to him for the great mass of information here presented, with facts, particularly about the constitution, local government, and the legal and institutional system, which are nowhere so compendiously to be found in English, and certainly not in so objective a fashion.

M. I. C.

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POLITICS AND ADMINISTRATION

Red Russia

The Soviet State. By BERTRAM W. MAXWELL. Pp. 337. (Stevens and Wayburn, Topeka, Kansas.) \$3.50.

I TEND to a general prejudice against writers upon Soviet Russia who preface their books with the remark that they have "approached this study objectively" and "divested themselves of ideological bias," for Soviet Russia presents so violent and definite a challenge to the accepted assumptions of the western world that it is scarcely possible to find a western writer who can really treat the subject impartially. Nevertheless, it must be admitted that Dr. Maxwell has really, within the limits of his common western humanity, shown a great deal of impartiality and that not without intelligence—not, in fact, by aiming at the kind of objectivity which succeeds in being impartial by giving an account of the forms only and omitting to concern itself with their interpretation in working. Dr. Maxwell understands that present-day Russia must be read not only in the light of its present, but of its past history; and he also knows how to keep his balance between the two aspects of Communist Russia which commonly present such an awkward ethical difficulty to the student, the repressive side, as exemplified in the G.P.U., the censorship and espionage systems, and the darker incidents of the anti-kulak campaign, and the constructive side of public health, education, and social life.

Dr. Maxwell has taken an enormous subject to deal with in the detail with which his earlier chapters abound, and in spite of his wide reading and knowledge of Russian, one cannot help feeling that eight volumes, rather than one, were his desideratum. He is very properly anxious to give the facts about Russia rather than to write an impressionistic sketch, of which there are already so many, but in that anxiety has presented his facts in a rather dry and detailed manner, and does not pay perhaps as much attention as he might to his own admirable statement that in Russia a law tends not to be a law as we understand it, but rather a "norm" to which at any rate the bulk of people ought more or less to conform. This is true

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Employment Exchanges

An International Study of Placing Activities. (Published for the International Labour Office by P. S. King & Son, Ltd.) 5s.

In 1919 the International Labour Conference at Washington adopted a Convention on Unemployment in which was included an obligation to establish a system of free public employment agencies under the control of a Central Authority. These agencies were to have attached to them Advisory Committees of Employers and Workers.

This Report of the International Labour Office gives an account of the progress made in each country which has carried out the Convention.

It is now scarcely disputable that a system of Employment Exchanges is an important and indeed necessary part of the economic organisation of an industrial country. But it will not be argued that the Employment Exchanges, even in the countries where they have been most developed, such as Great Britain and Germany, have fulfilled all the hopes reposed in them in the idealist atmosphere of Washington in 1919. This does not imply any criticism of the principle of public Employment Exchanges.

They have been working under great handicaps since the end of the war. It was hoped that they would "stabilise the employment market." They are powerless to do this against the factors that have produced instability during the past decade. Neither can they, at least in countries with a well-developed industrial structure, regulate the engagement of labour, except with the consent of industrial organisations. It is too often forgotten that the choice of personnel is a matter which the management of industry deliberately reserves to itself, though in certain industries, where, for example, trade union organisation is strong and competent, it may agree to a qualified choice being exercised by the unions.

These comments illustrate one of the difficulties in arriving at a judgment of the place that Employment Exchanges can fill; they must be examined, not against the background of some general principle dear to the International Labour Office, but against the make-up of each country, its industrial organisation, its social and popular prejudices, its industrial legislation. In Great Britain, for example, the development of the Exchanges as placing agencies has been distorted by their duties in relation to unemployment insurance, and by the volume of work falling upon the Exchanges owing to the numbers of the unemployed. Not only has the weight of insurance work affected the Exchanges, there may even be a conflict of interest between "placing" and "unemployment." The function of an employment agency is to supply an employer with the most suitable

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labour, irrespective of all other considerations. But when public works are started to provide employment it may well be that the authorities contributing to the cost of such works may require this principle to be modified; it may be thought necessary to give a chance of employment to those longest unemployed, or to those with the heaviest domestic liabilities.

The neutrality of outlook which is enforced upon the International Labour Office has prevented it from making a critical and objective examination of the way in which the exchange systems are actually working in each country. The result is that the Report too readily falls back upon generalisations of an elementary character. It is of little value to read that "a placing system is most effective when it has a large number of vacancies and a large number of applications." Further the Report makes little attempt to grapple with the question how far, and why, do the fee-charging employment agencies survive against the competition of the free publicly-financed agencies? The Report goes to the root of the problem. The most valuable chapter is that on "Specialisation by occupation."

Here are discussed some of the difficulties confronting a bureaucratic machine, even with its Advisory Committees, in determining precisely what an employer needs, and how far the paper qualifications of an applicant meet those needs, and a number of valuable suggestions are compiled.

But as a whole the Report is rather superficial and filled with undigested padding. Perhaps it was premature to expect any considered judgment of the systems of exchanges in each country; some of them are only a few years old, and one or two of the most important have recently been greatly changed by political developments. Within the limitations imposed by the difficulty of the task the Report is a valuable beginning of a study which must be broken up into a number of detailed studies at a later stage. When this task is undertaken, may a plea be made for the use of a less "international" language. The Report reads either like the conscientious translation into English of a document prepared in some other language, or, perhaps more exactly, like an attempt by someone who normally uses English to write English sentences which will somehow be intelligible to other nations. The result is an unhappy "woolliness."

E.

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Fundamentals of Industrial Administration

By EDWARD TREGASKISS ELBOURNE assisted by K. B. ELBOURNE and P. J. AMER. Demy octavo, 644 pages. (Macdonald and Evans: London, 1934.) 12s. 6d. net.

To quote from the author's preface to this book, "organised instruction can provide a reliable foundation of knowledge favourable to the development of personality and individual capacity for management. Moreover, it is now recognised that the knowledge to be acquired must have as its objective an attitude of mind rather than a specific technique." On this footing Mr. Elbourne has set out to compress into a single volume "the fundamental knowledge which may be expected to equip an aspirant for the responsibility of management." He states that the twenty-four chapters into which his book is divided correspond to the heads of a syllabus representing a view of what is required which has been accepted by the Institutions of Mechanical Engineers, of Electrical Engineers, and of Industrial Administration.

It is obvious that a book compiled on such a basis must be a very large undertaking indeed. It contains over 600 pages, including numerous graphs and diagrams. Its arrangement, indexing, and typography are alike excellent. Authors and publishers are to be congratulated on marketing a product technically so satisfactory at a price which is very reasonable.

The contents are divided into two parts each of twelve chapters. The first part deals with the external factors governing both Industry and Commerce. Thus it opens with a sketch of "the growth of industrialisation" and then traces "the main features of early technological development," before examining "the scope of modern industry" and "the origin and development of the commercial system." Two chapters on international trade and exchange follow. This first quarter of the book is interesting for its wide use of illustrative statistics from official sources. The author expresses the hope that "the student may be encouraged to see in them not dead material for the statistician's dissecting table, but measurements of everyday economic realities." This is a valuable development. The recommendations of the Macmillan Committee, for example, are unlikely to be implemented until there is an effective demand from business for adequate statistical data. It is all to the good that students drawn from practical affairs should be introduced at an early stage to the wealth of knowledge already available in the publications of various government departments.

The remaining six chapters in the first part deal with the legal aspects of business organisation, financial responsibility and control,

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the limited company and partnership, other forms of organisation, commercial law, industrial legislation, and industrial relations. They are necessarily brief sketches of big subjects. In later editions the author might possibly consider reducing even further the number of pages devoted to the description of the legal forms under which business is arranged, in order to leave more space for a fuller consideration of recent developments. Thirteen pages, for instance, are inadequate for any serious discussion of combinations, rationalisation, trade associations, the co-operative movement and public utilities. The author quotes the classification of combinations which appeared in *Factors in Industrial and Commercial Efficiency*. It is not very satisfactory from the logical standpoint, and the terminology is uncertain. The statement that "Rationalisation has come in this country to connote simply the large-scale unit of capital," is incomplete.

The second part of the book examines the actual management of industrial undertakings. The chapters deal with production, distribution, development and research, financial statements, industrial accounting, costing and estimating, control of expenditure, statistics and graphs, office organisation, general principles of management, division of functions, and the human factor. As might be expected from the author of *Factory Administration and Cost Accounts*, the sections on accountancy subjects are the most authoritative and complete. The use made of government publications bearing on industry and trade is again a valuable and original feature.

Mr. Elbourne has, for the first time, put together a comprehensive survey of the various authorities and agencies in Great Britain concerned with the art of business management. The book fulfils the object with which, presumably, it was designed. It gives to the student, approaching the subject for the first time, a bird's-eye view of its content and of its many ramifications. In doing this, he has rendered a public service. The omission of authorities from other countries appears to be deliberate. There is, however, a danger that it may give students a false perspective. British managers of the future cannot limit themselves to national experience if their art is to attain a comprehensive efficiency. The study of the techniques of management is already too universal. Any man aiming at real knowledge of many subjects touched upon in this book should be acquainted with the work of authorities whose names are not included. Examples are Henri Fayol, Mary Follett, and H. S. Dennison on the principles of administration; Mackinsey and Ludwig on budgetary control; Gilbreth, Lichtner, and the publications of the Verein Deutscher Ingenieure on time study; Scott, Clothier, Metcalfe, Tead, Mayo, and Bingham on personnel; Copeland,

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Nystrom, and the studies of the Harvard School of Business Administration on Distribution.

It is perhaps unreasonable to demand more, when the author has given so much. But, since it is manifestly impossible for any single authority to cover the whole field, it is open to question whether a comprehensive text-book of this type, however convenient and economical, is the most suitable material to place in the hands of beginners. Mr. Elbourne mentions L. P. Alford's *Management's Handbook*, recently superseded by his *Cost and Production Handbook*, as "a very advanced work." But the practice followed in these works and in *The Handbook of Business Administration*, of entrusting each section to an expert in that particular field, appears to the reviewer to provide a more satisfactory basis for teaching. Where the subject taught includes the art of handling men, nothing can be more dangerous than to give students the idea that it is simple or easily acquired. Those who are incapable of the intellectual effort required to master the acknowledged authorities are unlikely to make good managers.

From the point of view of members of the Civil Service, the book provides much material for reflection as to business practice in administration. It is not sufficiently recognised that the subdivision of the subject of management into Public Administration, Business Administration, and so on, may conceal essential similarities. The problems of administration whether in government or business, are often not only comparable, but over large areas, identical. Administrative Departments shade into Trading Departments, Trading Departments into Statutory Authorities, and Statutory Authorities into various forms of co-operative and capitalist enterprise. The mechanisms of ownership are from this standpoint largely accidental. The methods of discharging specialised functions are the vital issue, and these functions are the same whoever exercises the final control. The study of management cannot become truly analytic, till these traditional barriers are removed, and the whole of the relevant experience on each problem is brought to a focus.

Finally the syllabus which this book reflects, raises the broader issue whether some knowledge of so many matters is likely to realise the author's objective of developing "an attitude of mind rather than a specific technique." It is impossible for the student to acquire in a few years "the fundamental knowledge which may equip him for responsibility." What he can gain is the habit of detachment. Through it he can escape the tendency of daily work to sterilise thought to the pattern of existing practice. He can learn the necessity of continuous intellectual effort, of looking outwards to the practice of others, and back to his daily work again in a spirit of reflection

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and inquiry rendered flexible by his private studies. To inculcate such a temper is the problem of every educator. If his students have it, they will acquire the necessary technique for themselves, provided they have been taught the way to use records and documents. Some acquaintance with commercial law, economics, accounting, research, and so on is essential. But, it is not administration. And students who are exposed to a composite syllabus of this description sometimes mistake the trees for the wood, losing in inspiration what they gain in information.

L. URWICK.

The Schools at Work

With a foreword by the Right Honourable Viscount HALIFAX. (Published for the National Union of Teachers by Evans Brothers, Limited.) Price 2s.

RUSSIAN philosopher once sagely remarked: "The appeal through the eye is the greatest and most lasting educative force in the world." The truth of this remark is made very clear in *The Schools at Work*, for it would be almost impossible to conceive of a better survey of the progress of education in our own country than that which is given in this pictorial record.

Those who do not remember how bad the "good old days" were will no doubt be shocked and perhaps a little amused by the picture of a whole school doing its work in one classroom; and the measure of progress which has been made in education in this country in the last fifty years stands out in greater relief by reason of the effective use of "contrast" pictures.

As Viscount Halifax in his foreword remarks, this book is an attempt to give an answer to the question so often posed—What are the schools doing for our children? Moreover the value of the book is greatly enhanced by the succinct and able articles on certain aspects of educational activity from the pens of experts. For instance, Henry Richards, the late Chief Inspector of the Board of Education, writes about the schools as social centres of the nation; the Right Honourable H. A. L. Fisher, a former President of the Board of Education, deals with the elementary schools; Dr. Cyril Norwood, Headmaster of Harrow School and soon to be installed as the President of St. John's College, Oxford, discusses the secondary schools; the Right Honourable Lord Eustace Percy, also a former President of the Board of Education, deals with technical schools; and Sir Merick Menzies, the Chief Medical Officer of the London County Council, contributes a most illuminating article on the school medical service.

The very comprehensiveness of this pictorial survey makes it an invaluable asset to the bibliography of education.

W. J. BEES.

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National Health Insurance

By W. J. FOSTER, LL.B. (Lond.), Barrister-at-Law, and F. G. TAYLOR, F.I.A. (Pitman.) 7s. 6d.

IN the preface, the authors say their aim has been "to present a statement of the principal provisions of the Acts and Regulations relating to National Health Insurance and . . . to provide a survey of the whole scheme"; and they have achieved that object with marked success.

During the period since the War, there has been no book of reference dealing with what has become a most complex subject, in such a way as to make it understandable to those not intimately engaged in nor closely connected with the administration of National Health Insurance. This book, therefore, should commend itself to those of the general public who desire to acquire something more than a perfunctory knowledge of the scheme which, as the Royal Commission on National Health Insurance stated in their report of 1926 "has fully justified itself and has on the whole been successful in operation . . . We are convinced that National Health Insurance has become a permanent feature of the social system of this country."

It cannot be said to be a legal text-book (though the provision of marginal references to the appropriate Statutes and/or Regulations will make it valuable to the lawyer and to the student); it is essentially a well-proportioned book of reference, compressed within 260 pages, and therefore, it is no criticism to say, cannot provide a *very* detailed treatment of the subject. The most obvious deficiency is the somewhat scanty treatment of the "scope" of the Acts. Apart from a short paragraph in the introductory chapter, the reader is referred to an Appendix (being a reprint of the First Schedule, National Health Insurance Act, 1924, as amended) for information as to what classes of persons are comprised in the insured population of nearly 18 millions. There is much in the First Schedule on which a note of explanation would be welcome to many, indicating what is a "contract of service," a "contract of apprenticeship," a "contract of bailment" and so on. As the authors rightly indicate, there have been few references to the High Court but many of these cases are of such importance that it would enhance the value of the book, from the legal aspect at least, if another Appendix had been added giving a brief outline and the Reports of such cases. A diagrammatic representation of the system of Central Finance showing the inter-relation of the various accounts, to supplement the text of Chapter 12 would contribute very greatly to

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a proper understanding of a matter which seems to present considerable difficulty to many students.

These are relatively small points it must be said and the book is a very able piece of work on the part of the authors and a most welcome addition to the bibliography of Social Insurance.

S. W.

ECONOMICS

The Principles and Problems of Federal Finance

By B. P. ADARKAR. xviii + 301. (King.) 12s. 6d. net. 1933.

THE theory of public finance has been cultivated chiefly in countries with a unitary form of government. It is not surprising, therefore, that most of the orthodox canons of the subject tend to neglect the peculiar aspects of federal finance. Fundamentally, of course, there is little difference of principle between the problems that arise under either form of political organisation, but in fact and in detail there are differences sufficiently numerous and important to reduce seriously the value of propositions based upon the one and applied to the other. No "unitary" public finance can deal adequately with the problems of double taxation or of "intermediate" distribution, for instance, as they arise under a federal system. For this reason, such a study as Professor Adarkar's volume is to be warmly welcomed.

Professor Adarkar considers first the constitutional foundations of his subject and then examines in detail the systems of public finance in the U.S.A., Germany, Switzerland, Canada, Australia, South Africa, and India, the latter with reference rather to the future than the present. In the third part of his book he then discusses the politico-economic theory of federal public finance. Much of this part is recapitulatory of orthodox doctrine with critical and supplementary comment. Such, for instance, is the chapter on "The Leading Principles", in which "the theory of transferences" (which the author regards as "the bed-rock of public finance") is first analysed in a brief *dogmengeschichtlichen* section and then applied specifically to the problems of a federal State.

In his discussions of the general theory of public finance, and particularly in his discussions of the ethical and æsthetic implications of many current doctrines, Professor Adarkar will not command universal assent. His counter-criticism of Professor Robbins on this latter point, for instance, seems too optimistic altogether in asserting that the common use made of the theory of diminishing marginal utility has never "ranked as a highly scientific proposition", and in drawing the conclusions that follow this assertion. And perhaps Professor Adarkar takes Dr. Dalton just a little too literally in giving "the theory of transferences" such an exclusive place in the hierarchy of public-finance theory, ignoring such important considerations as those of collective wants and treating with less than their due measure of respect such considerations as those of conservation (and social mortgage).

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The most novel portion of the book, however, is that in which the material exhibited in Part II is examined in the light of the general and particular doctrines enunciated and criticised in Part III with a view to the discovery of principles to which an ideal federal financial system should conform. In this connexion, Professor Adarkar discusses: (1) "The principle of independence and its concomitant, responsibility"; (2) "adequacy of means relative to needs and elasticity of the scheme as a whole"; and (3) "administrative economy". In the reconciliation of these conflicting canons and the evolution of an appropriate system of financial allocation, Professor Adarkar sees "the real problem in the technique of federal finance"—but perhaps his conclusion that the choice of method is comparatively easy "if the aim is clearly borne in mind" is a little *simpliste*, particularly in relation to the needs of federal politics.

It is indeed on the purely theoretical and normative side that this book is weakest, although certainly not least stimulating. This is not to be wondered at, if the pioneer nature of much of Professor Adarkar's work is borne in mind. Of greatest immediate value are the historical and descriptive chapters comprising Part II, and perhaps the most valuable among these are those on Germany and India. But the greatest permanent contribution of this book to the theory of public finance is the varied and repeated emphasis it places on the manifestations and justifications of the principle of compromise in all public-financial structures.

H. E. BATSON.

The Changing Structure of American Banking

By R. W. GOLDSCHMIDT, Ph.D. Pp. 316. (Routledge.) 12s. 6d.

To the Englishman bred on the solidity and stability of "The Big Five" the American banking system seems a strange, almost fantastic phenomenon. Until ten years ago there were more than 30,000 banks in the country! Even now more than half this number exist. These banks are governed by 49 different authorities! It scarcely seems sensible to call them a single system. In the first three years of the depression the average number of bank failures was between four and five a day! The figures are so astronomical that they seem to be taken from another world.

The truth is that the American banking system, if not quite so primitive as these figures lead one to believe, has lagged a long way behind the industrial development of the country. That this circumstance has had some influence on the character of the boom and depression in America is almost to be taken for granted. A complete analysis of this influence has not yet been made. But there

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have been several smaller studies which contribute to it. Among these Dr. Goldschmidt's "The Changing Structure of American Banking" takes a prominent place. Dr. Goldschmidt is concerned, indeed, more with the policy of the commercial banks than with the general organization of the system. He confines himself—at the cost, it must be said, of disappointing the reader—to drawing attention to, and explaining the changes in the policy of the banks, and does not even pause to suggest some of the consequences which these changes may have had on the industrial system as a whole. The "theoretical discussions," he admits, have had to be curtailed for reasons of space. It is a pity. For theoretical discussions, even if they had meant a larger book, would have been in this case not appendages to the facts but a means of helping the reader to understand the mass of descriptive and statistical material with which Dr. Goldschmidt presents him.

The most interesting development, to which four chapters of the book are devoted, is the change in the character of the assets of the ordinary commercial bank. The total volume of credit increased between 1921 and 1929 from 41 to 59 billion dollars—an increase of nearly 50 per cent. At the same time the volume of ordinary short-term loans to commerce and industry showed almost no change whatever. The direct cause of this was the absence of borrowing by the large corporations. The latter appear indeed to have decreased their direct debts to the banks during this period by not inconsiderable amounts. This was made possible first by technical changes which reduced the amount of working capital required per unit produced. Secondly, because they were able more and more to secure funds by the issue of common shares. Whereas in 1918 22 of the largest corporations had provided 56 per cent. of their total capital by issues of common shares, this proportion had increased by 1930 to 73 per cent. Dr. Goldschmidt points out that this was due in part to a horror *debendi*—a fear of fixed debts, derived from experience in the 1921 depression: he adds that it is one of the reasons why low money rates have failed on this occasion to promote recovery. But the more essential reason why the corporations did not borrow direct from the bankers was simply that they were able to borrow indirectly from them in other ways. These other ways show us also the alternative assets which the banks acquired during this period.

In particular three types of assets showed large increases. Real Estate Loans, Loans on Securities and Investments. The Real Estate Loans which increased from 1919-1930 by 160 per cent. were not, as is often believed to have been the case, agricultural mortgages but Urban Real Estate Bonds. The enormous building activity of the early years of the boom was financed not only by building

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societies and insurance companies but also by the banks. The attraction was simply the high rates of interest obtainable. The excuse also was there in the large increase in "Time" deposits, or as we should say, deposit accounts. But the coming of the depression revealed that a great part of those assets were frozen. The mortgages could not be paid off. Dr. Goldschmidt regards the Real Estate boom as one of the most serious mistakes of the banks. "Broadly speaking," he writes, "difficulties . . . in American banks have been proportionate to the ratio of urban real estate commitments to their total assets. Practically none of the large banks which had a ratio of over one-third has survived the crisis."

More familiar than the increase in Real Estate Loans is the increase in Loans on Securities, and in particular "Brokers' Loans." The latter rose in the years 1921 to 1929 from 1 to 9 billion dollars. Here we have the immediate causes of the great Wall Street boom. Actually the banks did not suffer very greatly from holding this type of asset. It proved tolerably liquid. From the point of view of the community, however, a different judgment must be made. Dr. Goldschmidt indicates his disapproval of the Wall Street boom, but unfortunately here as in other parts of the book avoids being drawn into a theoretical discussion of why he disapproves.

Finally the banks increased their holdings of Investments. Here the losses were naturally very considerable, but would not, in Dr. Goldschmidt's opinion, have been so serious, had they not been rather concentrated on the smaller less well-directed banks.

In the second half of the book Dr. Goldschmidt turns to the problems of structure. He points out that the concentration movement within the larger cities has proceeded very far indeed, so that in nearly every large city in the United States 60 to 80 per cent. of total banking resources are in the hands of two or three banks or bank groups. Branch banking, on the other hand, still illegal in many states, has made very much less headway and is by law confined to the boundaries of a single state. One receives the impression that financial control has proceeded far more rapidly, in the face of legislative difficulties, than open amalgamation or incorporation into a branch system. Obviously the fact that there are still nominally 16,000 banks does not mean a great deal.

In his last chapter Dr. Goldschmidt sketches the reforms he thinks necessary. These follow the lines of his earlier analysis. He wishes above all to unify (though not to concentrate) the banking system and to give the Federal Reserve Board control not merely over the amount but also over the direction of credit.

Dr. Goldschmidt has written a sound and very useful book. While being perhaps insufficiently related to the general question of credit

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policy and its consequences, it is at the same time a careful and stimulating piece of work which should prove illuminating to the student of the trade cycle and be of interest to the general reader with a knowledge of banking problems.

H. T. N. GAITSKELL.

Wages in Sweden, 1860-1930, Part I

The Cost of Living in Sweden, 1830-1930

Stockholm Economic Series. (Published by P. S. King.)

In these works Professor Bagge, Myrdal, Lindahl and their assistants give us the first fruits of a great programme of investigation which is being carried out over many years by the whole staff of the Institute for Social Sciences of Stockholm University.

These are not simply, or even predominantly, books for historians. Swedish economists and statisticians, assisted by a generous grant from the Rockefeller Trust, have undertaken the task which has not yet been attempted in any other country, of preparing an encyclopaedic work of reference to cover the entire field of historical economic statistics, back to the period when industrial civilization began. The series is to be completed by studies of the available information relating to production and national income, while a parallel investigation into population statistics is also being completed.

One has only to think of the intractable but urgent problems which the realistic economist is up against to-day to appreciate the importance of such studies. Does under-consumption account for the trade cycle? What is the relationship between wage-rates and the trade cycle? What are the conditions required for a steady rise in the standard of living? These and similar burning questions of to-day cannot be answered by theory alone. Intensive study of the figures for recent years, for which statistical information is accurate and copious, is all very well. But what we really need in addition is extensive study of the figures over a long range of years, where we can get a broader view and a greater number of examples, and where it is easier to interpret facts which are not so closely related to the prejudices and passions of our own time.

These investigations are of interest to the administrator. Sweden is a country whose conditions and problems bear an extraordinary similarity to ours. In the fields of government and administration, Sweden has undergone no violent changes in the past two centuries, and Government Departments have grown up with structure and functions similar to ours. During this generation, however, they have found it desirable to create a Statistical Bureau to co-ordinate

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and supplement the statistical work of the older departments. This bureau has worked in close touch with the investigators in these studies.

Sweden is leading the world in the completeness of investigation into historical statistics. In Germany there have been a few brilliant studies by individual economists attached to the Institut für Konjunkturforschung (study of economic conditions)—a quasi-official organisation doing very valuable work to which we have nothing corresponding in this country.

In this country, one must say with regret, we appear to be resting on our laurels in these matters. Since the pioneer work of Sir Robert Giffin, and Professor Bowley's encyclopædic studies of wages thirty years ago, practically no work has been done in investigating the rich stores of historical statistics yet available. The only exception is a comprehensive study, completed in 1914, into the material available in the Inland Revenue Department, which gives us invaluable information about profits and incomes right back to the eighteenth century. In thoroughness and brilliance this study surpasses, in my opinion, all other statistical studies which have been made in this country. It was by an unknown young man in the Revenue Department called Josiah C. Stamp.

COLIN CLARK.

The South African Journal of Economics, December, 1933

(Published by the Economic Society of South Africa.) 6s. net.

THE December issue of this Journal contains several articles of interest on the racial question. The Presidential address at the meeting of the Economic Society of South Africa on the 8th September, 1933, deals with the introduction of natives, driven out of their native reserves by the difficulty of obtaining a living there, into the gold mines of South Africa.

A most interesting paper by Professor J. E. Holloway, who was incidentally one of the representatives of South Africa at the World Economic Conference, compares the position of the negro in the United States with that of the native in South Africa. His object is to show that the "adaptationist" policy, which aims at preserving what is good or even what is merely neutral in native culture and combining it with such part of European culture as appears to be suitable to the native thereby building up a future for the Abantu race independent of the European, is not only more easily practicable in South Africa but is also likely to have better results than the "assimilationist" policy, which would aim at making the native into a black European. He shows that the uprooting of the negro race

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from its original African home and its transplantation to the U.S.A. made assimilation in economic and even cultural matters easy and, in fact, almost inevitable, but that, even so, there has been no social assimilation: on the contrary, the present tendency in the United States is in favour of more stringent segregation of the negro. The result is a sense of grievance on the part of the educated negro at his social and racial exclusion from the main body of American life. Unless assimilation can be complete it is wise to avoid assimilation in those matters which are neither social nor racial. Apart from this fundamental objection, it must be recognised that the South African native, being still on his own soil, is more tenacious of his own religious and cultural heritage than the American negro could possibly be, so that even partial assimilation would be extremely difficult.

Miss Pollack contributes an article on the influence of the depression upon the position of the negro in the U.S.A. She shows that up to 1930 the progress of the American negro, even in the matter of entry to the professions, had been substantial, but the effect of the depression has been disastrous to the negro population, and there has even been a tendency for menial duties which used to be performed almost entirely by negroes to be undertaken now by white men.

Other articles are concerned with railway development in Natal, which contains some observations of general interest to students of the opening up of new countries; a note on workmen's compensation in South Africa, which again deals to some extent with native problems; and an examination of modern farming policy which is of interest to a wider public than that of South Africa.

J. K.

Economic Record

The Journal of the Economic Society of Australia and New Zealand. (Oxford University Press.) 5s. net; 10s. annual subscription.

THE December, 1933, issue of this Journal, while it ranges over a wide field, is concerned largely with financial matters, and there is an interesting note on the efforts made at the World Economic Conference to arrive at a monetary truce and on the causes of their failure.

A departure from the scientific attitude adopted by most writers in the Journal is provided by an article on the nationalization of credit by Mr. Theodore, formerly Commonwealth Treasurer. His is a plea on political lines for a nationalization of the banking system of Australia. He would appoint "the most highly qualified men in the community, whose knowledge of the science and functions of

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money, of economics, and of commerce and industry would ensure a respect for their judgment and an independence of action in carrying out their important responsibilities." These highly qualified men, however, he would subject to the dictates of the Government of the day. He says that it is the Government alone who will be answerable for the working of the internal monetary system. Therefore, the Government must appoint what he calls the National Credit Commission and the appointments must be for the period of the life of the Government.

Mr. Ronald Walker of the University of Sydney contributes a paper on "Saving and Investment in Monetary Theory" with particular reference to the effect of monetary policy on prices and employment, especially in times of depression. The depression also forms the subject of an article by Mr. Mauldon of the University of Melbourne, who examines the possible use of the shorter working day for the purpose of increasing employment. His views are somewhat pessimistic, and he concludes from an examination of the theory that more success is likely to attend an effort to reduce hours at a time of increasing prosperity than at a time of depression. This may perhaps also be said to be the verdict of history, at least up to the advent of the Roosevelt administration in the U.S.A.

Mr. Brigden contributes an interesting paper on the efforts of the Australian Tariff Board to arrive at some reasonable basis for deciding upon tariff rates. He comes to the conclusion, which is not surprising, that although what the Tariff Board set out to do is to give the Australian manufacturer only a marginal advantage over his competitors, doubts tend in practice to be settled in favour of a higher rather than a lower margin and errors tend to be all in one direction. He opens with a statement which is perhaps worth quoting. He says: "It is interesting to note that whatever the disturbance may be that occasions a special revision of the tariff, it always has the effect of leaving the general level higher than it was before." The article shows that, whether or not the Tariff Board have been successful in practice in carrying out their own expressed intentions, and in securing their acceptance by the Government, they do seem to have made a genuine effort to find reasonable principles on which to base their conclusions in individual cases. Mr. Brigden ends with some amusing comments on the "case for protection" put up by the New South Wales manufacturers. The ways of trade associations seem much the same the world over.

Articles dealing with the construction of a business index for Australia, from data which are far from adequate, with the third census of the Commonwealth, with time lost in industrial disputes and with the attempts to secure a basic wage for New Zealand are

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included. There is also a note on transport regulation—the conflict between road and rail—and upon taxable capacity, with special reference to Australia. Of topical interest is a short note by Mr. D. B. Copland on the usefulness of restriction of output as a means of raising the general price level, his conclusion being that the effect of restriction is likely to be a lowering rather than a raising of prices generally.

As usual, interesting reviews of recent economic publications take up a substantial part of the Journal.

J. K.

The American Year Book

A Record of Events and Progress for 1933. (The American Year Book Corporation, 229, West 43rd Street, New York.) Pp. xxv + 1,018. \$7.50.

ADMINISTRATIVE methods and problems in the U.S.A. possess to-day an interest and importance for the rest of the world which they have never had in the past.

In rendering obsolete the dictum that in political science it is impossible to experiment, the architects of the New Deal may perhaps have rescued their country from imminent catastrophe but they have without any doubt provided an object lesson in administrative innovation which cannot be studied without profit elsewhere.

The experiments have been so numerous and have covered so wide a field that it is only with difficulty that an external observer can follow them.

For this reason alone the "American Year Book," the 1933 edition of which is now available, will be of the greatest value to the British public at large and to students of public administration in particular, especially since it devotes a generous measure of space to the Recovery measures. Its scope is extensive. A compact handbook of over 1,000 closely printed pages, it surveys developments of the year under the seven headings:—"Historical," "American Government," "Governmental Functions," "Economics and Business," "Social Conditions and Aims," "Principles and Application," "The Humanities." The treatment of some topics is necessarily slight but on the whole adequate as a brief review of the main developments. A notable feature is the references given at the end of the seven sections to Societies and Research Institutions, from whom further information may be obtained upon the main topics reviewed.

The book is the work of two hundred specialist contributors and is published under the auspices of the *New York Times*, the most complete newspaper in the English language.

F. R. C.

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British Association for the Advancement of Science

Report of the Annual Meeting, Leicester, 6th-13th September, 1933.
Pp. xliv + 618 + 121.

It is now possible to record the addition of another volume to the familiar series of Orange Year Books containing the transactions of the British Association at its annual meeting in 1933. It follows the traditional arrangement in reprinting the addresses of the Sectional Presidents in full and in summarising the transactions. They range over the entire field of scientific investigation and for that reason alone any attempt at critical comment upon the volume as a whole would be presumptuous in the extreme. It must not, however, be imagined that it is a book for experts only. The Presidents of the various sections possess the ability to make their subjects of interest to the intelligent layman and there are few better ways of obtaining a general conspectus of current developments in scientific thought than by consulting the British Association Year Book.

F. R. C.

The London School of Economics

Register, 1895-1932. Pp. xix + 266. 3s. 6d.

THE short but brilliant career of the London School of Economics finds a fitting illustration in the new Register or Who's Who of over 1,000 of its former students. Among them are many in the rank and file of public administration and not a few in the more hazardous field of party politics. The list, as the Director explains in his concise historical introduction, is not to be regarded as material for social investigation nor as a history of the School by examples, but it is intended primarily as a means whereby former students can re-establish old contacts. The volume should easily fill this limited purpose, for it is evidently the product of a great deal of carefully organized effort on the part of the Registrar, by whom the editorial work has been undertaken.

F. R. C.

Books Received

Other Books Received

Books received include the following:—

<i>Title.</i>	<i>Author.</i>	<i>Publisher.</i>	<i>Price.</i>
New American Government and its Work	J. T. Young	Macmillan & Co.	15/-
The New Examen	John Paget	Haworth Press	10/6
The Whig Interpretation of History	H. Butterfield	G. Bell & Sons	4/-
Housing and Slum Clearance in London	H. Quigley and Ismay Goldie	Methuen & Co., Ltd.	7/6
The American Year Book, 1933	A. B. Hart and W. M. Schuyler	American Year Book Corporation	\$7.50
Financial Control and Integration	G. S. C. Benson	Harper Bros., New York	\$1.50
The Law Relating to Local Authorities	W. Ivor Jennings	Chas. Knight & Co.	45/-
The Theory of Wages	Paul H. Douglas	Macmillan & Co.	20/-
Studies in World Economics	G. D. H. Cole	Macmillan & Co.	12/6
South African Journal of Economics, March, 1934	—	Econ. Society of South Africa	6/-
Science in an Irrational Society	H. Levy	C. A. Watts & Co.	2/-
Survey of Public Health Nursing	Organisation for Public Health Nursing	H. Milford, Oxford University Press	8/6
Economic and Social Investigations in Manchester, 1833-1933	T. S. Ashton	P. S. King & Son	5/-
Unbalanced Budgets	Hugh Dalton, Brinley Thomas, J. N. Reedman, T. J. Hughes, W. J. Leaning	Routledge & Son	15/-
An Introduction to the Law of Local Government and Administration	Sir W. E. Hart and W. O. Hart	Butterworth & Co.	21/-

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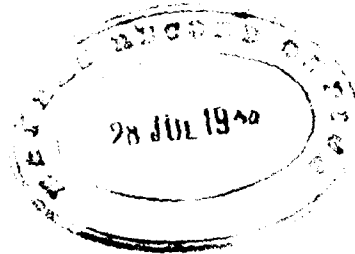
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Palace Chambers, Bridge Street, Westminster, S.W.1.

Books for Review should be addressed to THE EDITOR.

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CORRIGENDA.

Vol. XII. No. 3. Page 329, line 3, delete "it must be said and," substitute "and, it must be said,"

The Quota System with reference to the Coal Industry

By Mr. JOHN T. RANKIN

[Lecture delivered to the Institute of Public Administration (Sheffield and North-East Midlands Regional Group), at the University, Sheffield, on 11th December, 1933—Revised September, 1934]

THE Coal Mines Act of 1930 was an epoch-making Act. It marked a new departure in the relation of the State towards industry. In the management of any business probably two of the most important factors, which the Executive zealously guards because upon them the profitability of any business largely depends, are (a) the volume of the production of the business and (b) the prices at which the products of the business are to be sold. Part I of the Coal Mines Act, 1930, as I shall show in detail later, regulates the liberty of the Executive of every coal undertaking in the country in both of these vital regards.

Most of us are of course familiar with the restrictions which Parliament has imposed upon what are known as "Statutory Companies"—that is, Railway, Gas, Electricity, and similar undertakings providing services of public utility. Such Companies have had conferred upon them by Statute what are, in effect, monopolistic rights of supply of these services within defined areas, and it is therefore, I think admittedly right that, in the interests of the public, and to prevent exploitation, Parliament should impose restrictions upon such undertakings, to ensure that these monopolistic powers are not abused. This is done in various ways according to the nature of the services rendered. In the case of Gas and Electricity Companies, for example, the dividend is limited to a specified return upon the capital, after which all profits must be applied in reduction of the charge to consumer—and so on.

There have also, of course, been many Acts of Parliament regulating workmen's wages and the hours and conditions of work. In such circumstances, and for such purposes, statutory regulation appears to be not only desirable but necessary.

In the case of the Coal Mines Act, 1930, however, it is, so far as

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I am aware, the first Act which Parliament has passed—at least since the advent of the Industrial era in this country—which regulates—or, as some would say—interferes with, the right of the individual trader possessing no monopolistic powers or rights, to manage the commercial side of his business as he might think fit. For it places such traders under statutory regulations as to the amount of their production and the price or prices below which they were not allowed to sell.

To understand properly how it was that this far-reaching Act came to be passed, it is necessary to go back a little way into history—not a very long way, you will be relieved to hear—in fact, no further back for my purpose to-night than the year 1926. In that year the General Strike occurred. Its immediate cause was a national stoppage of the miners in consequence of a wages dispute, which continued for seven months until 1st December, 1926, although in some parts of the country production had recommenced earlier.

The effects of this long stoppage upon the coal industry were disastrous. Exports virtually ceased, while almost 20 million tons of coal were imported—an unprecedented state of affairs in the history of the British coal industry.

On the full resumption of work, most colliery undertakings embarked upon a policy of maximum production. This, in turn, led to a policy of severe price cutting, on the part of many coalowners, to secure trade, and in the result, according to figures published by the Mining Association, the British coal industry as a whole, lost during 1927 nearly £5,500,000.

But even prior to 1926 the trend of trade had been moving against the British Coalfields. A study of the statistics of the industry from 1800 shows a continuous increase in production, and from 1850 (when the production was 50 million tons per annum) an extremely steep and continuous upward trend until 1913, when the production reached 287 million tons per annum.

It is perhaps illuminating to interpolate here that, had that curve continued, the production in 1930 would have been 350 million tons per annum.

Unhappily it did not continue; output fell steeply during the War years; there was a catastrophic drop in 1921, owing again to strikes; a quick rebound to the 1913 level in 1923, owing to the occupation of the Ruhr; but in 1927 output had fallen to 251 millions, a drop of 36 millions as compared with 1913, of which 29 millions was export and 7 millions home consumption.

On the other hand, the output of Europe, excluding Great Britain, had increased between 1913 and 1927 by 58 millions; so that while the total output of Europe had increased 22 millions, the British output had declined by 36 millions. Moreover, the world demand for

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coal had increased during this period by 86 million tons per annum.

This momentous change in the conditions of the British coal industry can be attributed to the displacement of overseas markets during war years; the development of coalfields during and after the war in countries unable to obtain coal previously supplied by Great Britain; the supply of coal by Germany in post-war years as reparations; the increasing use of gas, oil and electricity as substitutes for raw coal; and finally, the opportunity afforded during 1926 to Continental coalfields, particularly Poland, of obtaining a firm footing in markets up till then almost wholly supplied by Great Britain.

It should also be remembered that, due to the abnormal circumstances of the war and the post-war period, the output capacity—actual and potential—of all European coal-producing countries had expanded greatly, and, in 1927, substantially exceeded the then known demand. In Great Britain it had been ascertained that the potential rate of output was 330 million tons per annum. In 1927 the actual output was, as I have said, 251 million tons—an excess of potential capacity of nearly 80 million tons per annum.

The problem, therefore, which confronted the British coal industry in the beginning of 1928, was not only to adapt itself to what was hoped was a temporary contraction of demand and therefore output, with the view of obtaining an economic price for the coal produced; but to take steps to endeavour to recover lost markets and to secure a fair share of the increased world demand for coal.

To many of the leaders in the industry it was evident that this great and difficult problem could not be solved by the actions or efforts of individual concerns; the law of the survival of the fittest could not be relied upon with sufficient rapidity to extricate the industry from its plight, even if that law operated effectively, which in my experience it rarely does. It was clear that co-operative organisation in some form and on a large scale was essential to success.

That the position was widely recognised was evidenced by the fact that schemes for co-operative arrangements were set up in Scotland, Northumberland, South Wales, and the Midlands. The output of these districts represented 82 per cent. of the total production in 1927. In each case, however, these schemes did not command the whole-hearted support of the coalowners, and their operation was seriously prejudiced by non-member coalowners who, while deriving benefits from the schemes, made no contribution thereto, and whose existence and competition undermined the loyalty of the member coalowners.

In the case of the three first-mentioned schemes for this and other reasons, they were short lived.

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By far the most important of these schemes, however, was that of the Midlands and it may be of special interest to this audience to hear something about it, because it was conceived in Yorkshire, and born in Sheffield. I propose, therefore, to consider its arrangements in some little detail, and also to refer to the results effected, because I wish to show the very direct effect it had upon the action which the Government took in 1929 and upon the form which the provisions of Part I of the Coal Mines Act, 1930, took in regard to District Schemes.

Popularly known as the "Five Counties Scheme" (erroneously as it happens, however, for it initially comprised eight counties), its official title was "The Central Collieries Commercial Association." It originally comprised 211 undertakings owning 442 mines situated in West Yorkshire, South Yorkshire, Lancashire and Cheshire, Nottinghamshire and Derbyshire, North Staffordshire, Cannock Chase, South Derby, Leicestershire, and Warwickshire. The total output in these districts in 1927 was 111.6 million tons, equal to almost 45 per cent. of the total output of the country in that year. It was at that time, I understand, the largest contiguous coal-producing area, in terms of output, in Europe. Those undertakings which became members raised, in 1927, 90 per cent. of the total output of the districts concerned.

The Association was constituted by a Deed of Covenant, executed by each member under seal, with a Trust Deed, under which the individual coalowners covenanted with trustees to observe and be bound by all conditions of the Rules and Regulations of the C.C.C.A., and to pay to the trustees on demand the monthly levies and any penalties imposed upon them by the Executive Council.

The management of the Association was vested in an Executive Council, assisted by a Basic Tonnage Committee, which dealt with all matters relating to the basic tonnages of each of the mines of the member undertakings; a Quota Committee, which determined the quotas to be applied to the basic tonnages in each month; and an Export Committee, which was charged with the duty of determining from time to time what financial assistance was required to enable the coalowners to meet competition in foreign markets; and of supervising the expenditure of the subsidy to be given to coalowners for the purpose of developing their export trade.

The objects of the C.C.C.A. were the Regulation of Output of coal in conformity with market requirements; the development of the export trade by the aid of subsidy; and the organised marketing of coal for home and export trade.

A levy, not exceeding 3d. per ton, was payable monthly by each member in respect of his output tonnage for the preceding month.

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Out of the funds so raised the subsidy on export, and the expenses of the Association were provided.

Any member raising a tonnage of coal in any month in excess of his Quota Tonnage, plus 1 per cent. thereof, was obliged to pay to the trustees a penalty not exceeding a sum equal to 3s. for every ton of such excess, unless, in the opinion of the Executive Council, such excess had not endangered, delayed, or hindered any of the objects of the scheme.

I will not, at this stage, make any reference to the actual operation of this Association in practice, because its machinery was in many respects similar, and in some respects identical, with the provisions of the Coal Mines Act in relation to District Schemes. It will therefore probably be more appropriate if I refer to the subject of machinery when I come to discuss the operation of these District Schemes under the Act itself.

The Association commenced business in April, 1928, but came to an end for all practical purposes on 31st December, 1930.

It will be remembered that the C.C.C.A. sought to improve the economic position of its members by (a) regulating supply according to demand and (b) by assisting its members to increase their export trade by means of a subsidy.

Let us look then at the results achieved in each of these lines of endeavour. In the last three quarters of 1927, the districts originally comprised in the C.C.C.A. showed an aggregate loss of almost £3,400,000. This losing trend continued during the first three quarters of 1928, due largely, it may be assumed, to unremunerative contracts entered into in 1927, and the net debit balance for 1928 was £3,850,000. In 1929 this was converted into a credit balance of £2,840,000 and in 1930 the credit balance was £2,600,000.

Satisfactory as these results were, another important feature requires to be noted. Opponents of all such schemes have all along contended that regulation of output must increase cost of production, and for that reason such regulation must be uneconomic. What, however, are the facts? In the Returns made to the Minister of Mines costs in the coal industry are divided into two categories—(1) Wages; (2) Costs other than Wages. To simplify comparison I will take the two largest districts of Notts. and Derby and Yorkshire, which produced in 1927 nearly two-thirds of the total output of the districts comprised in the C.C.C.A.

In each of these two districts Wages cost per ton showed a progressive decline, the reduction in 1930 as compared with 1928 being 4d. per ton in the case of Notts. and Derby, and nearly 5d. in the case of Yorkshire. Even more striking are the figures for "Costs other than Wages." Everyone knows what stubborn resistance Over-

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head Charges offer to efforts made to reduce them, and how directly the unit cost for Overhead Charges—say cost per ton—is affected by increase or decrease in the quantity of production; yet, comparing 1927, when there was no regulation of output, with 1930, when regulation was in force, Notts. and Derby showed a reduction of 6½d. per ton, and Yorkshire nearly 7d. per ton in these Overhead Charges, notwithstanding the fact that the output of the two districts in 1930 was upwards of half-a-million tons less than in 1927.

I am not, of course, a mining engineer, but I have a shrewd suspicion that these reductions in cost were brought about because regulation compelled mine managers to put on their "thinking caps," and economies, which might not otherwise have been put in force, were effected.

Let us now look at exports. The following short table of exports from the Humber Ports, through which by far the largest proportion of the coal from the Midland Area is shipped is illuminative.

<i>Exports</i>	<i>Tons.</i>	<i>Per cent.</i>
Year ended 31st March, 1928, no subsidy...	2,566,733	100
" " " 1929, subsidy ...	4,728,534	184
" " " 1930, " ...	7,018,712	274
" " 30th April, 1931, 8 months' subsidy ...	6,112,479	238
Year ended 30th April, 1932, no subsidy ...	4,291,198	167
" " " 1933, " ...	3,497,975	136
" " " 1934, " ...	3,523,177	137

The dissolution of the C.C.C.A. came about because (a) the initial period fixed for its existence was too short to enable the difficulties, particularly in regard to basic tonnages, to be smoothed out; (b) the fact that there were coalowners, representing 10 per cent. of the output of the districts, who remained outside of the Association and reaped increasing advantages as a result of the work of the Association, without making any contribution in respect thereof; (c) the difficulties in regard to the fixation of individual basic tonnages and the existence of these coalowners outside the Association influenced the Executive Council to take certain steps, designed to placate existing members, which resulted in a loosening of the regulation of output, as a result of which more coal was permitted to be produced than could be absorbed at economic prices; (d) this, in turn, resulted in coal being offered in inland markets in certain cases by coalowners receiving substantial subsidy in aid of exports, which subsidy was partly

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derived from these inland coalowners whose markets were so attacked; and, (e) failure to carry acceptance of several schemes which were propounded for the regulation of prices in the inland and export markets.

Thus came to an end what was, so far as I am aware, the greatest voluntary effort that has yet been made in this country by any body of industrialists to bring about an improvement in the economic conditions of an industry by co-operative measures; and, in this connection, it should not be overlooked that the conception and the structure of the scheme was the work of the coalowners themselves and their advisers, and no one else.

At the time these various voluntary District Schemes were being set up and operated, it became apparent that in order properly to organise the coal-producing industry such voluntary schemes, if they were to be successful, must be organised on a national basis. Accordingly, a Committee representative of all coal-producing districts, known as the Central Coal Marketing Committee, was set up. Towards the end of 1929 this Committee produced such a scheme of organisation on a national basis. Under this scheme District Associations were to be set up on a voluntary basis in each district with powers to provide for the regulation of the output of its members periodically; and of prices of coal sold by them; and for co-operation with other Associations in subsidising trade, including export trade; and other incidental powers.

There was to be a Central Committee consisting of representatives of each of the District Associations appointed on a tonnage basis. The main function of the Central Committee was to determine periodically the tonnage of coal which each district was to be permitted to produce during that period. The District Associations were to bind themselves not to exceed such permitted output, and if they did so, to pay a penalty of 2s. 6d. for each ton of such excess.

These were the main principles and purposes of the scheme, although, of course, there were many Rules and Regulations necessary and incidental to the proper carrying out of these purposes.

At this stage some brief reference to the political situation at this time is necessary. It will be remembered that in June, 1929, a General Election took place as a result of which no one party secured a majority in the House of Commons. The Labour Party, being the largest individual Party (although in a minority in the House as a whole), were requested by His Majesty to form a Government, and they assumed office.

In the course of the Election the Labour Party had given a pledge to the miners to reduce the underground hours of work in the coal industry to 7. The miners were therefore looking to the Labour Party,

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now that it had assumed office, to redeem this pledge.

The Government found, as indeed any Government would have found, that in spite of the voluntary efforts that had been made by the coalowners to improve the economic condition of the industry by means of the schemes to which I have referred, the state of its finances in 1929 was still bad. It was known, when the Government came into power, that voluntary schemes had failed, or were failing, owing to the opposition of recalcitrant minorities. It was recognised that, under such conditions, a reduction in hours of work would inevitably give rise to claims for cuts in wages, and that therefore it was essential for the proceeds of the industry to be increased, if such cuts in wages were to be avoided.

In July, 1929, the President of the Board of Trade announced that, as part of their Coal policy, the new Government proposed to expedite the establishment of District Marketing Schemes, with a Central Scheme for co-ordinating the activities of the district organisations.

At meetings which took place between representatives of the coalowners and the Government, the owners were informed of the Government's intentions and were invited to submit schemes by the middle of October, 1929. By that date considerable progress had been made in the provision of draft district schemes and of the central co-ordinating scheme, although the support accorded to those district schemes which were put forward indicated, in each case, the existence of substantial minorities. In some districts, however, no schemes were put forward.

It having become thus apparent that unanimity amongst the coalowners as to a basis of reorganisation on voluntary lines could not be attained, the Coal Mines Bill (Part I of which was designed to give the necessary powers to the Board of Trade) was introduced to Parliament in December, 1929.

I hope that so far, I have made clear the causes leading up to the submission of this far-reaching legislation in relation to the coal industry.

To sum them up—there was an apparent decline in the demand for British coal; there was the known existence of a large excess of potential productive capacity in Great Britain and elsewhere, over the known effective demand; these circumstances had led to intense competition and price-cutting, resulting in heavy losses to the industry, with depressing effect on mine workers' earnings; voluntary efforts by a section of the coalowners themselves had either failed or were failing, largely because of the opposition of minorities; and, finally, the pledge to reduce hours of work made it imperative that measures should be adopted to regulate the marketing of coal, so as

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to mitigate this price-cutting, with a view to improving the economic condition of the industry, so that it might be able to meet the increased wage cost and earn some return upon the capital invested in the industry.

The Bill, as I have said, was introduced in December, 1929, and was placed on the Statute Book in August, 1930. It was vigorously opposed by the Conservatives throughout, and received only the intermittent support of the Liberals, so that on one occasion the Government escaped defeat only by a majority of 3. During the course of its passage through Parliament, the main amendments made, were:—

- (a) That the powers to make levies, either on a national basis or on a district basis, for the purpose of subsidising or facilitating the sale of any class of coal, were for all practical purposes eliminated; and
- (b) Complicated provisions in relation to the fixation of standard tonnages were inserted which in practice have added greatly to the difficulties of that already complex problem.

Turning now to the Act itself, I do not propose to weary you with any detailed examination of its provisions, but rather to give you a general description of its purposes, its structure, and the machinery of the schemes to be set up under its provisions.

The Act is in five parts and one schedule. Part I, which deals with the Production, Supply, and Sale of Coal is the only Part of the Act which concerns us to-night.

In this Part of the Act it is provided that there shall be a scheme, known as "the Central Scheme" to be administered by a "Central Council" composed of representatives elected on behalf of all the owners of coal mines in the several districts; and that there shall for every district be a "District Scheme" to be administered by a body to be known as the "Executive Board," to be elected by the owners of coal mines in the district.

It will be noted, therefore, that both the Central and the District Schemes are to be administered by elected representatives of the coalowners themselves and the officers appointed by them.

The chief functions of the Central Scheme are:—

- (1) To provide for the allocation to each district by the Central Council of a maximum output, known as "the district allocation," such allocation to be determined at such time, and for such period, as the Council may think fit. The Central Council may, however, increase the allocation to any district during any such period if they are satisfied that it is necessary to meet an increased demand for coal or any class of coal; and
- (2) For the imposition on and recovery from, the Executive Board of a district which has exceeded its District Allocation, of a sum equal to 2s. 6d. per ton on such excess.

The Central Council has also power to give consideration to the

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operation of the District Schemes, and to give advice thereon, with a view to co-ordinating the operation of these schemes. Any Executive Board which is aggrieved by any act or omission of the Council, or of any other Executive Board, or of any other persons in respect of their functions under a scheme in force under the Act, can refer the matter to arbitration.

There are also provided a number of other powers incidental to the carrying out of these functions.

As regards the District Schemes, powers are given to the Executive Board:—

- (a) For the classification of coal, either for the purposes of fixation of minimum prices or for the determination of separate standard tonnages for a separate class of coal;
- (b) For the determination of the standard tonnage of every coal mine in the district;
- (c) For the determination periodically of the Quota, *i.e.*, the proportion of the standard tonnage which each coal mine in the district is to be allowed to produce. In this connection it is further provided:—
 - (1) There may be separate Quotas for separate classes of coal;
 - (2) That the Quota for each class of coal must be the same proportion of the standard tonnage for all the coal mines in the district; and
 - (3) That in calculating the Quota the District Allocation shall not be exceeded;
- (d) For enabling arrangements to be made for the transfer of quota between owners of coal mines in the district;
- (e) For the determination of minimum prices for each class of coal produced in the district, *i.e.*, the prices below which such coal may not be sold or supplied by the coalowners;
- (f) For the collection of levies to meet the expenses of administering the Scheme;
- (g) For securing that any owner of a coal mine who is aggrieved by any act or omission of the Executive Board or any other persons in respect of their functions under the Scheme, may refer the matter to arbitration; and
- (h) For the imposition and recovery of penalties from coalowners in respect of contraventions of, or of failure to comply with, the provisions of the Scheme.

There were also here a number of supplemental provisions with which I need not trouble you.

There were also provisions safeguarding the position of contracts entered into before 11th December, 1929, the date when the Bill was introduced to Parliament.

In order to protect the interests of consumers and other outside interests it was further provided that there should be constituted a National Committee of Investigation, charged with the duty of investigating any complaint made with respect to the operation of the Central Scheme; and District Committees of Investigation, charged with the duty of investigating any complaint made with respect to

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the operation of District Schemes. These committees have been constituted from persons representing coalowners, mine workers, and consumers, including, in a number of instances, ladies, representing, presumably, domestic consumers.

I need not, I think, trouble you with any detailed account of the powers and duties of these committees. It is known, however, that the complaints laid before them have been relatively few, and that in certain instances, upon representations having been made by the Investigation Committee to the Executive Board concerned, steps have been taken to rectify the conditions in respect to which the complaint was made.

The above is a rough and, I fear, rather dry summary of the statutory provisions, but from it emerges the structure of the plan.

- (a) There is the Central Council, which periodically fixes the output of coal which each district may be permitted to produce (*i.e.*, the District Allocation) and which has power to recover penalties against any district which exceeds that allocation.
- (b) There is in each district a scheme, with an Executive Board, which fixes the standard tonnage of each coal mine in the district, and the proportion of that standard tonnage, known as the quota," which may be produced in any period fixed under the scheme, or separate quotas where there are separate standard tonnages for separate classes of coal; determines the minimum prices below which the coal produced is not to be sold; and possesses powers to recover penalties for exceeding the quota or for the making of sales at prices, or under conditions, which constitute an infringement of the minimum price regulations.

It will thus be seen how closely Part I of the Act adheres to the Rules and Regulations of the Central Collieries Commercial Association as regards district schemes, and to the scheme drawn up by the Central Coal Marketing Committee as regards the Central Scheme. Therefore, although Parliament has imposed this Act upon the coal industry and upon the country generally, it should be recognised that the schemes are in the main similar to those previously propounded or operated by coalowners themselves, and that the Act leaves the administration of the statutory compulsory schemes in the hands of the coalowners, subject only to the safeguards provided by the Committees of Investigation, and by the general supervision of the Board of Trade.

Turning now to the Act in actual operation—I will refer first to the operations under the Central Scheme, and so far as the District Schemes are concerned, I will make particular reference to the

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Midland Amalgamated District Scheme, with which my firm has been professionally associated since its institution.

As regards the Central Scheme, as has been pointed out, the main function of the Central Council is to fix the district allocation for each district. Since the commencement of the Scheme, district allocations have been fixed quarterly. The procedure is, that the Secretary of the Central Scheme invites the Executive Board of each district schemes to submit an estimate of the tonnage of coal it considers the District will require to raise during the quarter under consideration, and the tonnage of coal which the District expects to dispose of during that quarter. Members of the Central Council are supplied with this information, and with statistical information in regard to the outputs of the various districts for the quarter under consideration in preceding years, and other relevant figures. No precise method is laid down in the Central Scheme as to the basis upon which the district allocations are to be decided, but it is provided that, in determining the district allocation, the Council shall, on every occasion, have regard to all relative circumstances affecting the several districts, not excluding the relative position of such districts prior to the war.

In practice it has been found difficult to reconcile the claims of the several districts, the interests of which often conflict. This difficulty is intensified by the fact that the body charged with the duty of determining these allocations is composed solely of coalowners who are representatives of those districts, and that there is no independent person, or persons, on the Central Council empowered to give a decision in the event of disagreement. In these circumstances, on a number of occasions disputes as to allocations and other matters have had to be referred to arbitration.

Broadly speaking, the district allocations have been determined having regard to the performance of each district during some past period, while from time to time, and particularly recently, additional allocations have been given to meet an increased demand for coal that has arisen during the period.

The chief difficulty which the Central Council encounters is to reconcile the interests of those engaged mainly in the inland trade with those who are engaged largely, if not mainly, in the export trade.

In export markets, where British coal has to meet the competition of Continental and other coal-producing countries, the prices are world prices. The result is that for a number of years British export prices have been lower—and in certain districts considerably lower—than inland prices. Another factor which accentuates the difficulty is that the classes of coal which are in demand for the export market represent only a proportion of the coal produced, so that the other classes of coal, necessarily raised with them, must be disposed of in

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the inland market. If, therefore, District Allocations or additional allocations are fixed having regard to an increased export demand, the result is that of the coal so produced only a proportion is suitable for export, and therefore more coal than may be required is available for sale in the inland market. This tends to increase, and has in fact increased, the competition from exporting districts upon inland markets hitherto held by districts whose trade was predominantly inland.

It is because of these circumstances that complaints have appeared from time to time, criticising the Act in relation to the export trade. Nevertheless, it can be affirmed, so far as the Midland Scheme is concerned at least, that such complaints have proved, on investigation, to be ill-founded and to have emanated mostly from those who had been deprived by the Act of the freedom, previously enjoyed, to set colliery against colliery until the price was driven to an unremunerative level.

In connection with the agreements which the Government has recently entered into with certain foreign countries, under which the Government has made special efforts to ensure that these countries take a substantially greater proportion of their supplies of coal from Great Britain than in recent years, assurances have been given, on behalf of the Central Council, that there will be adequate supplies of coal available for the requirements of these countries.

This, and the other considerations relating to the export trade, have led to a reconsideration of the provisions of the Act, which at present, as you will remember, provides that each district allocation shall be one tonnage figure for all purposes of the trade of each district. Proposals for the fixation of separate allocations for inland trade and export trade respectively, and separate standard tonnages and quotas for each coalowner and undertaking, for these respective classes of trade have been under consideration. These proposals, however, have not found acceptance amongst all coalowners, and the same fate has befallen proposals to set up export pools for dealing with the special requirements of the export trade.

The Government has announced its intention to take steps, by Parliamentary action if necessary, to ensure that the operation of the Act shall not interfere with the due fulfilment of the assurances given to those countries with whom we have signed Trade Agreements.¹

¹ Since this paper was delivered, the Government, in agreement with the coalowners, has caused amendments to be made to the Central Scheme requiring that separate district allocations shall be made for coal to be supplied for inland and export purposes respectively. Amendments have also been made to the various District Schemes enabling a different and possibly higher quota to be permitted for export supplies than for inland supplies. These amendments will come into operation on 1st January, 1935.

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Turning now to the operation of the District Schemes, I will take as an example the Midland Scheme. It provides, I think, a fair example, being the largest of all the schemes as regards the tonnage controlled, and is the scheme with which Sheffield is mostly concerned.

This scheme comprises the whole of Yorkshire, Nottinghamshire and North Derbyshire, South Derbyshire, and Leicestershire, which, in the scheme, are described as sections.

The total tonnage produced by these sections in the year 1930, *i.e.*, the year prior to the introduction of the scheme, was 77,635,006 tons.

The scheme is administered by an Executive Board, consisting of representatives appointed on a tonnage basis from each of the sections comprised in the scheme. In the Midland Scheme, however, certain duties which are carried out by the Executive Boards of other schemes are delegated to the following committees, which also consist of representatives of each of the sections, appointed on a tonnage basis:—

- (a) Standard Tonnage Committee.
- (b) Quota Committee.
- (c) Central Sale Committee.
- (d) Export Committee.

The work and operations of these committees are, however, carried on under the supervision of the Executive Board, and their decisions are subject to the approval of that Board. The Minutes of each of these committees are laid before the Executive Board, whose meetings are usually held monthly, and this affords an opportunity for a review by the Board of the operations and decisions of each of these committees. The scheme provides that each coalowner shall be advised of the decisions of the Executive Board, and this is done by each coalowner in the district being supplied with copies of the Minutes of the Executive Board, and of each of the committees referred to.

In addition to reviewing the work and operations of these committees, the Executive Board deals with all major questions of policy; inquires into all alleged breaches of the regulations and considers and decides upon the imposition of penalties; fixes the levies payable by the coalowners to meet the expenses of the scheme; and exercises generally the functions of management of the affairs of the scheme.

The Standard Tonnage Committee is charged with the difficult task of fixing the standard tonnage of each coal mine or undertaking, in the entire district. There are 214 undertakings at present comprised in the scheme, ranging from small dayholes, raising a few tons per day, to a number of the very largest coal undertakings in the country.

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The interpretation and application of the provisions of the scheme, in relation to the fixation of standard tonnage, have undoubtedly presented many complexities and difficulties. I will not weary you with any details of these provisions, but I will touch on one or two of their salient features.

The basis for the initial fixation of Annual Standard Tonnage for each mine or undertaking is set out in the scheme, and when fixed, is expressed in so many tons per annum, let us say—500,000 tons per annum. It will be evident, therefore, that once all the standard tonnages for a district are fixed, the relationship as regards volume of trade between each and every coalowner in the district is determined; and this relationship could quite readily be expressed by a percentage of the whole accorded to each coalowner. It will thus be seen that the fixation of standard tonnages, in effect, determines the percentage or proportion of the total trade of the district falling to each coalowner. It is therefore not difficult to appreciate that this is a matter in regard to which acute controversy can arise, especially when it is borne in mind that wherever one coalowner succeeds in having his share increased, the others have their shares proportionately decreased. You will therefore not be surprised to learn that this subject has given rise to many disputes and arbitrations in the Midland District.

In the M.A.D. Scheme there are two classes of standard tonnage—General Standard Tonnage and Coking Standard Tonnage. This separation was made in order to ensure that coal required for the manufacture of coke, mainly for metallurgical purposes for use in blast furnaces, should have special consideration. Throughout, since the commencement of the scheme, the quota for coking standard tonnages has been 100 per cent.

Every coalowner has the right at any time to object to his standard tonnage, and his objection is, in the first instance, heard by the Standard Tonnage Committee, who, after hearing the evidence, and, usually, sending representatives to inspect the mine, decides in regard to the objection. If the coalowner is not satisfied with the decision of the Standard Tonnage Committee, he has the right to refer the matter to arbitration.

Once a coalowner's annual standard tonnage is determined, he is required to divide this total amount into monthly allocations, so as to take care of seasonal fluctuations which take place throughout the year. These monthly allocations are known as "monthly standard tonnages."

The work of this Committee has been most onerous, and although it cannot, I fear, be said that complete satisfaction has been given to all coalowners, it is hoped that recent proposed amendments to the

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scheme and to the procedure under the scheme will in future obviate some of the more important, at least, of the difficulties encountered.

Quota Committee

As regards the operation of the Quota Committee, this Committee meets once per month, usually towards the end of the month. It has before it the particulars of the aggregate standard tonnages for the month; the total tonnage available for raising out of the district allocation; statistics as to stocks; coalowners' estimated disposals during the month for which the quota is to be fixed; and other important relevant information. Its duty is to estimate to the best of its ability the tonnage of coal which should be permitted to be produced during the month under consideration, so that there shall be sufficient, but not a surplus of coal available for the requirements of the trade. In other words, its duty is to regulate the supply of coal according to the demand. Here again the differing and conflicting interests of the export and inland trade present difficulties. The Rules provide, however, that the Quota Committee, having fixed the quota for a particular month, may increase it during the month to meet any unexpected increase in demand, and this has been done on a number of occasions.

The quota, I would remind you, has to be expressed as a uniform percentage of the standard tonnages of the coal mines in the district, for the period under consideration. Accordingly, in the Midland District, when this Committee has determined the quota or percentage, let us say for the month of December, to be 70—then this percentage applied to each coalowner's standard tonnage for December determines the tonnage of coal he is permitted to produce in that month, assuming that he has not acquired quota for that month from any other coalowner, and has no tonnage to carry forward. If a coalowner exceeds his permitted output in any month by more than one per cent., he becomes liable to pay a penalty of 3s. for each ton of such excess, and all excess tonnage is deducted from his permitted output in a subsequent month, as determined by the Quota Committee.

On the whole, and subject only to one or two special occasions when the demand for a certain class of coal was greater than the demand for other classes of coal, it can, I think, be fairly stated that the quota fixed has adequately met the requirements of the market. One statement can be definitely made—that on no occasion have the powers of the Quota Committee been used to create an artificial shortage of coal.

Central Sale Committee

As regards the Central Sale Committee, this Committee is charged

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with the duty of determining the class to which any coal produced in the district belongs; and also has to determine from time to time the minimum price for every class of coal produced in the district.

The Act provides that "class" in relation to coal means a class determined according to the nature of the coal; or of the trade, industry or other category of consumer supplied; or according to whether it be supplied for use in Great Britain, or for export to any other country. It would be impossible, within the time at my disposal, to give you any satisfactory account of the enormous work involved in the classification of the coal produced in this very large district, and in the fixation of the minimum prices therefor.

Throughout, the Executive Board and the Central Sale Committee have been severely hampered by an important provision in the Act and the scheme, viz., that in relation to minimum prices there can be only one minimum price for each class of coal, as defined in the scheme. The effect of that provision is that once the class of coal and the minimum price for that class is determined, it must apply whether the coal is delivered one mile from the pit-head or 200 miles from the pit-head. Such a principle runs contrary to all the practice of the trade prior to the Act.

Prior to the Act, the coalowner, when fixing his price—whether on a delivered or a pit-head basis—had to adjust it to meet the market price at the point where the sale was to be made. In that market he had to meet the competition of other coalowners whose mines might be situated nearer to the point of sale. Taking the cost of transport and wagon hire into consideration, therefore, these conditions resulted in lower pit-head prices being accepted at points distant from the mine, and higher pit-head prices at points nearer to the mine. In the M.A.D. Scheme, pit-head prices for the inland trade were adopted for the purposes of minimum prices, and in consequence of the provision in the Act and the scheme, to which I have referred, had to be fixed at the same minimum pit-head price for the same class of coal produced by each coalowner. Put shortly, this regulation has deprived coalowners of the opportunity, previously held, of adjusting their pit-head prices according to their geographical position in relation to the markets to be supplied. This has resulted, so far as the Midland District is concerned, in a serious dislocation and diversion of trade from the channels through which it had previously flowed. It has also seriously handicapped the Midland coalowners in competing with the exporting districts which, in consequence of the fall in the export trade and with the help of lower rates of wages and cheap coastwise freights, have been sending coal at low prices into markets largely supplied by Midland coalowners previously by rail.

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These circumstances, it must be admitted, have led to serious difficulties in carrying out the minimum price provisions of the scheme. Evasion or avoidance of the minimum price regulations by means of subsidiary companies or other means has, I am afraid, occurred on a large scale. The Executive Board has, admittedly, found difficulty in applying the penalising provisions of the scheme in regard to such evasions or avoidances. Proposals, however, are before the Central Council and the Government to remedy this defect in the Act and in the scheme, and it is to be hoped that power to fix varying minimum prices for the same class of coal will be accorded to the industry as soon as possible.

Export Committee

In the absence of any statutory power to give financial assistance to the export trade, as was provided under the C.C.C.A., the work of this Committee is confined principally to advising the Central Sale Committee in regard to the fixation of minimum prices of export and bunker coal; to assisting the coalowners through shipping bureaux which have been established on the Humber and the Mersey, as regards the state of the export markets; and generally dealing with all matters relating to the interests of those engaged in the export trade.

It is perhaps too early as yet to assess adequately the true value of this Act, but in this connection I purpose to give you a few figures taken from reliable sources.

The net proceeds per ton of coal commercially disposable in Great Britain since 1929 was as follows:—

1929 13/10.92; 1930 14/1.02; 1931 14/0.17;
1932 13/9.94; and 1933 13/6.59.

The substantial measure of stability shown is, I think, noteworthy.

Comparing the British figures of proceeds of sale of coal with similar figures for other great coal-producing countries, and taking 1929 again as being 100, we get the following results:—

	U.K.	Poland.	Germany.	U.S.A.
1929 ...	100	100	100	100
1930 ...	101.26	98.26	98.64	95.48
1931 ...	100.75	94.51	86.32	86.43
1932 ...	99.41	90.90	73.80	73.87
1933 ...		not available.		

It is instructive, I think, to look at the trend of wholesale prices of commodities in Great Britain during these years, and to compare them with coal prices. Taking 1929 again as being 100, I find that in 1930 wholesale prices in Great Britain had fallen to 88; in 1931 to 76; and in 1932 to 75. Similar but rather greater falls, occurred in the wholesale price levels in the other countries to which I have referred.

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These figures, I think, prove that since the commencement of the Act, coal prices in Great Britain have remained virtually stable, while substantial declines in coal prices have occurred in each of the other countries mentioned. They prove further that in Great Britain coal at least has resisted stoutly the influences, of which you are all aware, that have led to the disastrous fall in commodity values in the last three years.

Let us now look at costs of production and output during the same years in the United Kingdom, as shown in the following table:—

	Wages.		Costs other than Wages.		Total Cost.	Production.	Percentage of 1929.	Percentage of 1930.
	s.	d.	s.	d.	s. d.	Million tons.		
1929 ...	9	4.69	4	1.82	13 6.51	254	100	—
1930 ...	9	6.39	4	2.39	13 8.78	237	93	100
1931 ...	9	5.31	4	3.42	13 8.73	217	85	92
1932 ...	9	3.26	4	4.75	13 8.01	206	81	87
1933 ...	9	0.00	4	3.76	13 3.76	204	80	86

The fall in wages cost is probably due to increased mechanisation in the mines, which I believe has largely been brought about by the passing of the Act. The really extraordinary feature, however, is the behaviour of the overhead charges in face of the substantial decline in production. In 1933 the production had fallen 20 per cent. compared with 1929, yet the overhead charges had increased by only 1.94d. per ton—or under 4 per cent. The total cost in 1933 is actually less than in 1930, the year before the Act came into operation, notwithstanding a fall in output of 14 per cent. In the face of these figures, can it be maintained by any impartial observer, that the Act has impaired economic working? The reverse has occurred. The Act has improved economic working.

But what effect, it may be asked, has the Act had upon our export trade? Let the figures as revealed in the following table again tell the story:—

	1929		1930		1931		1932		1933	
	1,000 Tons	%	1,000 Tons	%	1,000 Tons	%	1,000 Tons	%	1,000 Tons	%
United Kingdom	60,267	56.61	54,879	57.08	42,750	51.06	38,899	55.09	39,068	55.74
Poland ..	14,371	13.50	12,811	13.33	14,327	17.11	10,362	14.68	9,704	13.85
Germany ..	26,769	25.14	24,383	25.36	23,123	27.62	18,312	25.93	18,443	26.31
France and Saar	5,060	4.75	4,067	4.23	3,527	4.21	3,038	4.30	2,875	4.10
TOTAL ..	106,467	100.00	96,140	100.00	83,727	100.00	70,611	100.00	70,090	100.00

The consistent fall in the total exports from these countries is the result of conditions known to you all, accentuated by import quotas, tariffs and other Government restrictions that have been imposed. It

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is fairly consistent with the alarming contraction in world trade that has resulted from these causes. The percentage figures, however, exhibit the share of the available trade obtained by each of these countries respectively; and it will be noted, with satisfaction I think, that although Great Britain suffered a setback in 1931 due no doubt to the critical financial situation which arose in that year prior to the suspension of the Gold Standard, yet in 1932 and in 1933 the relative position in 1929 had almost been regained.

These figures take us up to the end of 1933. It is possible that the financial results for 1934 will not be as satisfactory, because of the breaking away from minimum prices to which I have referred. Nevertheless, it can, in my opinion, be confidently affirmed that the Act has enabled the British coal industry to withstand the effects of the economic blizzard in a way that no other available agency could have done, without impairing, but rather improving, its efficiency; and, in doing so, it has assisted materially in preventing wage cuts, and therefore possible strikes and lock-outs, with all the disastrous consequences which such disturbances have caused in the past. If these claims are well founded, and I think they are, then this Act, even with its drastic powers and its present defects, has been amply justified.

His Majesty's Mails

By V. R. KENNY, M.B.E.

Barrister-at-Law

[Being a paper read before the Leeds Regional Group of the Institute of Public Administration, January, 1934—revised]

THE origin of the Postal Services was the organisation of relays to carry the King's despatches. These relays date from 1482. The "Chronicle of Croyland" tells us that King Edward IV had introduced the practice of "appointing a single horseman for every twenty miles by means of which travelling with the utmost speed and not passing their respective limits news was always able to be carried by letter from hand to hand 200 miles within two days." These horsemen were the original posts. They requisitioned horses by the royal right of Purveyance, with the enforced aid of the local authority and paid for them practically what they chose. Posts were not permanent on any road, but were set up as required. They were controlled from the King's household and an officer was appointed to control them, known as the "Master of the Posts." The first Master of the Posts whose name is known was Brian Tuke who was in office in 1516, and had a yearly salary of £66 13s. 4d.

The carriage of private letters is dealt with in a Proclamation of Elizabeth in 1591 ordering that no letters were to be sent to or from foreign countries except by the Posts. This followed earlier proclamations and was intended to put a stop to arrangements which had been set up by certain London merchants for the conveyance of their own letters.

Fixed posts were set up to Ireland via Holyhead and Bristol in 1598, to Berwick and Scotland in 1603, and to Plymouth in 1620. The letter service which was thus growing up was systemized in 1635 by Thomas Witherings under a proclamation of Charles I: The scheme was that he should pay the Posts 3d. a mile (£2,530 in all) and that they should carry for him a mail of letters. He was to take for himself a postage on the letters as follows:—

2d.	per single letter up to 80 miles.
4d.	" " " 140 "
6d.	" " above 140 "
8d.	" " to Scotland.

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He was to set up the service on six roads, viz.:—to Edinburgh, Holyhead, Plymouth, Bristol, Norwich and Dover (daily to Dover, two or three times a week to other places), and he was to have a monopoly. The post out and home to Edinburgh was to take six days. Branch Posts were organised to meet the main Posts at various towns.

The advantage of this scheme to the King was that he was relieved of the cost (1609, £3,400) of the Posts, to the public generally there was much advantage by regularity of Posts and Witherings is believed to have made large sums of money. Later (1649-1660), the Commonwealth exacted a large annual payment from the possessor of the letter monopoly and finally put it up to tender. Thus began in the form of an annual rent the Public Revenue of the Post Office. In 1657 a Bill was passed through Parliament which fixed postage rates, retained the letter monopoly, and appointed the "Postmaster-General of England and Comptroller of the Post Office." In 1663 Post Office revenue was settled on the Duke of York.

The general farm of the Posts ceased in 1677, but many Posts continued to be farmed locally. In 1680 a London merchant named Dockwra organised a private local Post for London. He opened several hundred offices where messengers called for letters and postmarks were introduced. The postage was a penny. This post was held to be a breach of the Postmaster-General's monopoly and was taken over by the Postmaster-General. It was turned into a two-penny post in 1801 to raise additional revenue for the Napoleonic Wars.

In 1720 Ralph Allen, Postmaster of Bath, got a farm of the Posts at a rental of 50 per cent. higher than the gross receipts of the previous year. He reorganised and greatly extended the Posts at steadily rising rentals until his death 44 years later. His enterprise was rewarded and he made a fortune of £500,000 for himself.

Even at this time, London, Edinburgh and Dublin were the only cities within which there was recognised machinery for delivery.

The first mail coach ran on 2nd August, 1784, from Bristol to London (114 miles) and it did the distance in 17 hours. The system was soon extended to other roads.

The last of the old London mail coaches arrived in London from Norwich and Newmarket on 6th January, 1846. The times of some of the mail coaches are worth noticing: the night mail coach from London to Holyhead (258 miles) took 27 hours, to Falmouth (263 miles) 29 hours, to Edinburgh (396 miles) 43 hours, and to Thurso 108 hours.

On the 11th November, 1830, the first *rail*-borne mail was carried between Liverpool and Manchester.

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In the old days letter stealing was punished with death. The last man executed for that crime was hanged on 13th February, 1832, and the death penalty was established in 1835.

By an Act of Parliament passed in August, 1839, the Treasury was empowered to prescribe postage rates by warrant and the same year it was accordingly provided that letters should be charged by weight. In December, 1839, a new warrant reduced the existing 4d. rate to 1d. and abolished the system known as "franking." These were the reforms which made the name of Rowland Hill famous and his simple process of prepayment of postage by means of stamps was adopted subsequently by every civilised country. Previously, for more than 200 years letters containing a single sheet were charged at the single rate and letters containing two sheets at double rate. A letter in an envelope counted as a double-rate letter. When the rate was decided the mileage scale had to be applied in order to assess the total postage, which even then was exclusive of delivery charges.

The number of letters passing through the post in 1839 was 82,000,000 of which 6,000,000 were "franks." In 1840 after the reduction in postage the number was 169,000,000.

In 1860	...	...	630,000,000
„ 1880	...	...	1,227,000,000
„ 1900	...	...	2,244,000,000
„ 1933	...	...	6,640,000,000

The "Book Post" was established in 1848 for the benefit of Education and in 1904 it was changed to the "Halpenny Packet Post."

Post Cards were introduced in 1870 and Letter Cards in 1892.

Now for a word regarding the *Inland Newspaper Post*.

In the seventeenth century the country postmasters who were innkeepers had as part of their emoluments the privilege of receiving *Gazettes* free of charge, and certain officers of the Post Office, known as "Clerks of the Roads" subsequently enjoyed a privilege of "franking" all newspapers tendered to them, and as a result they became in course of time the great newsagents of the Kingdom. So vast was their business that by 1764 the emoluments of the six Clerks of the Roads reached £8,000 a year, out of which they contributed £6,600 towards the grant of pensions and increased salaries to their colleagues. The system led to all kinds of abuses.

In 1764 an Act of Parliament was passed to regulate "franking" by Members of Parliament and they became entitled to the free transmission of newspapers to themselves at any place of which they might give notice to the Postmaster-General or to any other place if they signed their names outside. Booksellers soon found com-

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plaisant members who would give the necessary notice on behalf of their customers and thus ordinary vendors and indeed all persons, as well as the Clerks of the Roads, could transmit newspapers free by post. In 1825 the law was made to agree with the practice and by an Act of Parliament newspapers were allowed to pass free of post.

But although the State was making no charge for the transmission of newspapers by post it was levying a stamp duty upon them all. This Duty dated from the reign of Queen Anne, was reduced to 1d. in 1836 and continued to exist until 1855. In that year newspapers were relived of the compulsory Stamp Duty, but it was provided that those which bore an impressed stamp might pass free by post. In 1870 this system was abolished and the rate of $\frac{1}{2}$ d. a newspaper, irrespective of weight, was established.

Parcel Post

The Inland Parcel Post was instituted in August, 1883, when the rates were:—

Not exceeding 1 lb.	...	...	...	3d.
Exceeding 1 lb. and not exceeding 3 lb.	...	...	...	6d.
„ 3 lb.	„	„	5 lb.	9d.
„ 5 lb.	„	„	7 lb.	1s. od.

In the year 1884-1885 23,000,000 parcels were sent by post. In 1933 the number dealt with in the Post Office was 154,000,000.

In June, 1887, horse-drawn coaches under contract began to run between London and Brighton for the conveyance of parcels not already conveyed by rail, and similar coaches were put on other roads where the circumstances were such as to show a clear saving in cost compared with the cost of railway conveyance.

In 1898 motor vans were put on some of these services for the first time and subsequently replaced horses on all important routes. These special parcel services were discontinued during the war and have never been re-established owing to new agreements on more favourable terms being made with the railway companies.

Rural Posts

So far I have dealt with main services to towns, and now I propose to look at the rural areas. Up to 1764 the position, broadly speaking, was as follows:—The Post Office carried letters to post towns only, but did not undertake to deliver them at the houses of the addressees, and in London only was there a local post—the penny post already referred to. In 1764 the Postmaster-General obtained authority to set up a penny post in any city or town. Such posts were only set up in about half a dozen of the largest towns in the Kingdom and at that time neither benefited nor were intended to benefit the rural districts.

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Thus at the beginning of the last century there were no rural or village posts. Letters were conveyed to towns of considerable size and were conveyed thence by arrangement on behalf of the people living in the surrounding villages. Wealthy people with large correspondence made their own arrangements and sometimes Postmasters of a town undertook as a private venture the delivery of letters in the villages, receiving for themselves and not for the revenue a fixed sum on each letter.

In some cases “an allowance in aid of the post” was paid to small market towns out of public funds to arrange their own deliveries and gradually penny posts were established in towns and in villages of any importance, but even in 1838 it was stated that “there are districts in England considerably larger than the county of Middlesex into which the postman never enters.”

In 1843 it was decided that the principle upon which rural posts should be established should be based simply upon the number of letters for each locality and that “all places the letters for which exceeded 100 a week should be deemed entitled to the privilege of a receiving office and a free delivery of letters.” A delivery meant a daily delivery and the boundary of the “free delivery” was fixed by the Postmaster-General in each case. Extensions went on under this ruling until 1850 when it was decided that in future a post should be established when it would pay its way. The principle upon which this decision was based has lasted to the present day.

In 1855 Huddersfield had 2,760 letters delivered free every week while Halifax had 4,680, but I have not been able to get figures regarding Leeds.

In 1862 it was estimated that 94 per cent. of letters were delivered to the houses of the addressees, but it was not until 1897 in celebration of Queen Victoria's Diamond Jubilee that it was announced that a regular delivery of letters would be given to every house in the Kingdom. The frequency of delivery depended upon the number of letters and the cost of the service and this is still the regulation.

The Rural Postman now visits every homestead; he is a walking Post Office, and not only delivers and collects letters and parcels, but accepts registered letters, sells postal orders, pays pensions in many places, sells savings stamps and collects payments for C.O.D. parcels.

Travelling Post Offices

The first travelling sorting carriage was run as an experiment on 6th January, 1838, between Birmingham and Liverpool and was so successful that it was decided to make the Travelling Post Office a permanent institution. A special carriage was built and its exterior was fitted with apparatus for exchanging mail bags en route. This

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apparatus was improved in 1848 by a Mr. John Dicker, a Post Office servant, and is substantially that in use at the present time. The first travelling post offices from London were established towards the end of 1838 and ran to Preston and back, leaving Euston Station at 11.0 a.m. and 8.30 p.m. daily. This was followed by the establishment of travelling post offices on almost every main line of railway and there are now 65 Travelling Post Offices.

All the early Travelling Post Offices consisted of one or two coaches attached to passenger trains, but in 1885 a special mail train was established on the London and North Western and Caledonian Railways to be devoted entirely to the mail service and ran between London and Aberdeen. This train still runs in both directions every night, consists solely of sorting carriages and bag tenders and is the most important mail train in Great Britain. It leaves London every night at 8.30 p.m. and reaches Aberdeen at 7.52 a.m. on the following day, while the upgoing train leaves Aberdeen at 3.25 p.m. and reaches London at 3.55 a.m.

A short description of the journey of the Up Special Travelling Post Office from Aberdeen to London may be of interest. Leaving Aberdeen at 3.25 p.m. with a Post Office staff of seven men the "Up Special" is the last train from the North which connects with the first delivery next day in the Midlands, London and the Home Counties. Before leaving it receives mails from the Buchan and Elgin branch lines which arrive too late to be sorted in the Aberdeen office. Between Aberdeen and Stirling mails are received at stopping stations and by apparatus from about 30 towns, and the staff is engaged upon sorting the letters for Edinburgh, Glasgow, Perth and Stirling and the areas served from them. At Law Junction the mail is joined by a Travelling Post Office from Glasgow with a staff of 24 men which has collected heavy mails from Glasgow, the neighbouring counties and the West Highlands. It then proceeds to Carlisle, picking up at Carstairs the Edinburgh and Midlothian mails. At Carlisle mails are received from about 60 towns in Northumberland, Cumberland and the South of Scotland and from a Travelling Post Office working from Ayr to Carlisle. On leaving Carlisle the Post Office staff has been increased to 50 men and the train is composed of eleven coaches, later in the journey increased to sixteen, five of which are used for letter sorting. Each of these coaches is allocated to a particular division of the country, and offices sending mails to the Travelling Post Office sort their letters according to these divisions so that immediately on receipt they can be transferred to the proper carriage. Preston and Warrington are centres for the exchange of mails to and from the great industrial towns of Lancashire. At Preston a Travelling Post Office brings in correspondence

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from offices in West Cumberland, Westmorland and the Furness District. At Warrington connection is made with the Night Mails to Ireland, letters for Northern Ireland being transferred to a train connecting with the Stranraer-Larne steamer, while those for the Irish Free State are despatched to join the Irish mail from Euston at Chester.

Crewe is reached at 12.19 a.m. and here the Up Special despatches and receives an immense volume of mails. Crewe is the night mail centre of the country, and a large number of important mail trains are timed to meet there about midnight, so as to give connections to each other. Inside three hours thirteen Travelling Post Offices enter and leave Crewe station, including the night mails from London to Scotland and the up and down Irish mails via Holyhead. At Crewe the Up Special transfers to Travelling Post Offices working to Holyhead, Shrewsbury, Cardiff, Birmingham and York, some of which connect with still other Travelling Post Offices at their terminal stations, the correspondence it has collected during its journey from Aberdeen for Wales, the Black Country and part of the Midland and North-eastern counties. It takes on board from these Travelling Post Offices mails for the South which they have collected en route to Crewe.

The next stop is at Tamworth, which provides an outlet for the counties of Derby, Nottingham, Leicester and Lincoln, and gives a connection with a Travelling Post Office leaving Tamworth for Lincoln at 2.25 a.m. At Rugby, the last stop before Euston, the mails for Northamptonshire, Bedfordshire, and East Anglia are despatched and the final night mails from Birmingham for London and the South are received. Between Rugby and Euston the staff are busily engaged in the final sorting of the mails for London and beyond, while letters for the intermediate towns are despatched by mail-bag apparatus.

The mail with about 2,500 bags on board steams into Euston at 3.55 a.m. and finds a Post Office staff of some 40 or 50 men with as many vans awaiting it to transport its bags to the London delivery offices and railway termini. The London letters and those for many towns in the Home Counties which it brings are due for inclusion in the first delivery, and it also brings correspondence for four Travelling Post Offices leaving London between 4.45 a.m. and 5.40 a.m. for Bristol, Leeds, Bournemouth and Ipswich. To effect these connections a punctual arrival of the train and expeditious clearance from the station are essential. On a normal journey the Up Special deals with approximately 150,000 letters.

Packet Services

Until the time of Elizabeth the considerable written intercourse

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which must have been required for the trade between England and places abroad was conducted solely by the merchants concerned; and although the Queen ordered by proclamation in 1591 that no letters were to be sent to or from foreign countries except by the Posts, it seems clear that this related only to their inland transmission. It was not until 1619 that an effort was made to place the maintenance of foreign postal communication by sea as well as by land in official hands. The office of "Postmaster for Foreign Parts out of the King's Domains" was established by James I, but it was not until 1633 that a through service between England and the Continent was established (Dover and Calais) by means of small boats, chiefly propelled by oars. These must be regarded as the first English Packets. The majority of the merchants, however, appear to have continued to find their own means for the sea conveyance of their letters.

In 1660 an Act of Parliament was passed which provided that homeward-bound ships were to give up all letters at the port of arrival. No pecuniary inducement was, it appears, first offered to the masters of ships to hand over the letters they brought, but about 1700 mention is found in official records of a payment to private Ship Masters of one penny for every letter handed to the Post Office in this country or in the colonies over sea. The Treasury questioned the Post Office as to the authority for making such payment. The answer was that there was no authority, but that as the existing law was insufficient to compel masters to deliver to the Post Office the letters they brought, the allowance of one penny a letter had been customary as an inducement. An Act of Parliament in Queen Anne's reign sanctioned the payment of this gratuity and conferred on the Postmaster-General a monopoly of the conveyance of letters by land or sea in the United Kingdom and Her Majesty's Colonies and Plantations in America and the West Indies. This Act imposed a penalty of £5 for every infringement and £100 for every week the offence was continued.

The Post Office services of Packet boats at this time were between—

Dover and Calais.
Harwich and Holland.
Holyhead and Kingstown.
Milford and Waterford.
Portpatrick and Donaghadie.

In 1688 a service was established from Falmouth to Corunna and shortly afterwards from Falmouth to the West Indies, North America and Lisbon. By the close of the eighteenth century Packets were sailing to almost every part of the world.

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The Packets were either hired from the Commanders who ran them or were the property of the Crown. On the short sea services from Dover, Harwich, &c., the ships were about 70 tons burden, whereas on the ocean routes the tonnage ranged from 150 to 170 tons. Commissioners who inquired into the conduct of the Packet Services in 1788 expressed the view that "the Falmouth Packets should be 150 tons and their complement eighteen men"; and they stated "vessels of this description being fit to go to any part of the world."

Intermediary between the Postmaster-General and the Commanders of the Packets were agents appointed by the Department whose duty it was to see that the conditions of the contracts were duly fulfilled, especially as regards the equipment of the ships, the complement of the crews and the payment of wages. The contracts were for 7, 14 or 21 years and once a Packet was hired the Post Office paid all wear and tear and miscellaneous expenses and in case of capture by an enemy, paid also to the owner the *original cost* of the vessel. It is hardly to be wondered at that the Packet establishment became very costly and in the year ended 5th April, 1796, the expenses of Packet Boats were £77,600, of which £53,000 was for hire, wear and tear, £2,000 for arming the Packets and £10,800 for payments in respect of captured Packets.

Necessarily the agents were given much power, and it is clear that their power was grossly abused, especially at Falmouth. Commissioners of Inquiry reported in 1788 that the management of the Packets had become "an unbounded source of expense and speculation." The scandal must have lasted many years as in 1777 the King had spoken about the bad state of the Packet Boats and had ordered representations on the subject to be made to the Post Office. Although the Packets were hired from their Commanders the Commission of Inquiry found that in many cases officers of the Post Office were the actual owners of the Packets and that the Secretary, the principal officer of the Department, received in one way or another emoluments from the Packet Service which in the course of 17 years amounted to little less than £50,000. The outcome of this inquiry was the promulgation of an order prohibiting any person employed in the Post Office from being concerned directly or indirectly in the Packets or as agent for the owners.

Every Packet at this time ran the risk of being captured or sunk by privateers or by enemy's ships and all were armed. They often carried bullion as well as mails and therefore offered no mean temptation to sea rovers, but so well armed were they that they sometimes turned on their pursuers and beat them. There is evidence that more than once the Commanders looked for trouble on the high

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seas in the hope of plunder—they became in fact pirates. To stop this the Commission of Inquiry recommended that every idea of defence should be relinquished and that the Packets should depend for their safety solely upon fast sailing. The Postmaster-General, however, decided not to go to this length, but “to make the experiment of not arming the Packets against an enemy in force but only against Row Boats and small Privateers.” The Commanders were instructed to outsail an enemy and by no means to fight if an action could be avoided and if surrender became necessary the mails were to be sunk.

An official report in 1798 showed that the despatch of letters from the United Kingdom and more especially from London by private means had assumed vast proportions, although the practice was contrary to law. Most of the Coffee Houses in the City of London openly kept bags for the collection of letters to be forwarded by merchant ships, and private individuals secured considerable incomes from this source. Clearly a great part of the correspondence between England and the rest of the world was being conducted haphazard. Mails were not officially tendered to the Masters of private ships. The bag tendered by the proprietors of various collecting agencies were accepted or not at the option of the Master, and as there was no check on his proceedings it was at his discretion after having received a bag whether he delivered it or opened it and destroyed the contents. It was admitted that the Post Office could not enforce the laws, and as a result an Act (39 Geo. III) was passed legalising the despatch and receipt of letters in bags by ships other than Packets and the gratuity to Masters was increased to twopence per letter. Although a “Ship Letter Office” was established in London in 1799 for the collection of overseas letters private agencies continued to flourish notwithstanding repeated fines, and even as late as 1827 it was found that Coffee Houses were collecting letters with greater diligence than ever.

In 1837 it was enacted that the Postmaster-General was entitled to tender letter bags to the Masters of outward-bound vessels who, on their part, were bound to receive them and to deliver them on arrival at the port of destination without delay. The penalty for refusing to take a letter bag tendered by an officer of the Post Office was fixed at £200.

Up to this time ships were at the mercy of the wind and weather and the duration of any voyage was uncertain, but the advent of steamships brought punctual departures and comparatively short passages. In 1816 steam communication was established with Ireland by means of the ship “Hibernia” which ran between

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Holyhead and Dublin. She was of 112 tons burden and was the pioneer of the principal cross-channel services.

Steam Packet services by Government-owned vessels were soon after established to Calais, Ostend, Hamburg and Gothenburg, but it became clear that outside means would have to be sought for the conveyance of mails by the ocean routes. In 1838 the steamship “Sirius” carried a mail to America and when it was found that she and another steamship the “Great Western” could cross the Atlantic in safety the public took advantage of the new and speedy channel for the despatch of correspondence and the mails rapidly increased in bulk. The owners of the steamships refused to carry the mails for the old gratuities and demanded half the postage. This demand was rejected by the Post Office and the owners refused to accept an offer of £100 for each outward trip and £100 for each homeward trip. While these negotiations hung fire the Admiralty in 1839 made a contract with Samuel Cunard, providing for the conveyance of mails for a subsidy of £55,000. The opinion was then held that the Packet Service should be designed not merely for the maintenance of postal communication, but for the purposes of a naval reserve both as regards ships and men. The Post Office fought for retention of its control over the Packet services, but had to give way.

It became the policy of the Government to induce commercial companies to build steamships, and with that view contracts were at first made for periods which would secure to the companies the full benefit of their original outlay.

In 1853 the annual charge for subsidies amounted to £853,000.

In 1860 the Lords Commissioners of the Admiralty appealed to the Treasury to be relieved of the labour incidental to the control of the Packet Services, which had become so serious as to interfere with their other duties and they stated that the scheme for rendering Packets available for war purposes had been found to be incompatible with the nature of the service on which the vessels were employed. Control was re-transferred to the Post Office in April, 1860, and since that time payments for conveyance of mails overseas have been fixed by contracts and by negotiations between the Post Office and shipowners.

Overseas Postage Rates

Prior to 1875 the rates of postage for overseas communications were based on the combined cost of the sea and land conveyance and constantly varied. The cost of conveyance by land varied according to the number of countries to be crossed. Each country fixed its own charges, which were regulated by varying scales of

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progression and units of weight. Postage rates with the Colonies were settled by negotiation and with foreign countries by treaty or convention, each country making the best bargain it could. The negotiation of so many schemes was as tiresome as the process of carrying them out was cumbrous. The postage had to be calculated on each letter or packet and credit awarded at the proper scale to each Administration concerned in the conveyance. An inevitable consequence of these complicated operations was delay at every office of exchange, so serious as almost to neutralise the saving of time afforded by railways and steamships. Some change became imperative. In September, 1874, a Congress of representatives of the chief European countries, of the United States and of Egypt met at Berne and signed an agreement constituting the Postal Union. It came into force on 1st July, 1875. Under the provisions of the new Convention:—

- (a) A common regime was accepted throughout the whole postal service.
- (b) Freedom of transit by land and sea was guaranteed by every country to every other country.
- (c) Rates of postage were made uniform, that is to say, in future every country was to charge a uniform rate for each category of correspondence addressed to other contracting countries.
- (d) No charge of any kind was to be collected in the country of origin from the sender of correspondence or in the country of destination from the addressee, other than that prescribed by the regulations.
- (e) The onus for providing for the conveyance of mails was to rest on the country of origin, all intermediate services used by such country to be paid for at fixed rates and upon the basis of periodical statistics.

The effect of the new system was beneficial alike to the public and to the Post Office, and in a short time nearly the whole of the civilised world was included in it.

Subsequent Postal Congresses extended and improved postal services and introduced new services such as Parcel Post, the exchange of Money Orders, &c., &c. An international Bureau at Berne was set up as a clearing house for the liquidation of accounts of all kinds.

Air Mails

The first regular Air Mail service established in this country was between London and Paris and was inaugurated on 10th November, 1919, and regular air mails are now working to practically every European country, to Egypt, India, Burmah and South Africa. It is expected that during the present year (1934) the India, Burmah

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mail will be extended to Australia. The time saved by air mails covering long distances is enormous—7 days to Bombay, 6½ to Khartoum, 7 to Cape Town, between 11 and 23 on letters to Nairobi and 11 to Salisbury. The services are generally worked by Imperial Airways under subsidy.

Modern Developments

So far I have dealt with the history of His Majesty's mails and now I will say a few words regarding some modern developments in the postal service.

During the war owing to the shortage of man power (83,000 Post Office servants joined the forces) it was necessary to make drastic reductions in postal facilities and after the Armistice it became clear that restoration of services could only be made gradually and that reorganisation on a more scientific basis was essential to meet the changed conditions and general higher costs. Department Committees were set up to investigate various questions and numerous radical changes resulted. Amongst these was the establishment of all inland sorting on a county basis. This proposal was first put forward by Sir C. Sanderson, Controller of the London Postal Service, who was at one time Postmaster-Surveyor of Leeds. In short, the public were asked to use the name of the county in the address of all letters, and a small number of suitably situated offices were selected upon which correspondence for stated counties was circulated for distribution. It was inevitable that exceptions had to be made to this county circulation scheme as the selected "forwarding offices" could not dispose of correspondence for all places in the counties they were to serve without delaying some items, but by the establishment of new mails and new road services it became possible to reduce the exceptions to a comparatively small number. Prior to this sorting, apart from the local sorting, was done mainly on a railway basis and it was necessary for a sorter to memorise very long lists of places—many of them distant insignificant towns—correspondence for which had to be specially treated. The county scheme greatly facilitated sorting, especially in London, where such an immense volume of correspondence is posted and has to be dealt with in a limited time.

Another development was the introduction of sorting fittings of standard types which were adopted after full investigation and experiment by a Joint Committee of Official and Staff representatives. This included the substitution of sorting fittings of box type for the open shelf tables and necessitated the refitting of all sorting offices in the country. The new fittings for all kinds of work were designed to reduce to a minimum the labour of sorting, they allowed a much

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larger percentage of items to be finally sorted at the first handling, and the assignment of boxes or divisions to selections for towns and counties was arranged in each office so that the heaviest volume of correspondence is sorted to the boxes which are most easily reached.

In 1922 to meet the public demand for cheaper postage for non-urgent matter a $\frac{1}{2}$ d. postage rate was introduced applicable to circulars, invoices and generally what is classed as "printed matter," and it was announced that such items posted after 3 p.m. would not be due to connect with the night mail despatches or the first delivery on the following day. This was intended to give the public the advantage of a very cheap rate and to reduce the volume of correspondence which had to be dealt with during the evening pressure period. As a result it became possible at the largest offices to employ a smaller number of sorters during the peak pressure period, and to convert a considerable number of night sorting duties into day duties commencing at 6 a.m. or 7 a.m. There has, however, always been difficulty in restricting the posting time for this class of correspondence in small towns, and in country areas where there are no collections about 3 p.m., and in consequence no restrictions on the posting of this class of correspondence are in force in such districts. Even in other towns owing to pressure from Chambers of Commerce and like bodies the time for posting has been extended from 3 p.m. to 5 p.m.

Since the war also the use of mechanical aids in Sorting Offices has been largely extended. Moving belts are now in use in all the largest Sorting Offices for conveying letters, packets, parcels and bags from one position to another, while in the largest parcel offices all parcels are conveyed by belts from the mail platform to an upper floor where they are given a primary sorting in gravity shutles and moving bands which distribute them to the various divisions on the floor below for secondary sorting. This equipment saves an immense amount of labour.

The increased use of stamp-cancelling machines, which record the number of letters passing through them and thus provide a traffic guide for staffing purposes, electric trucks and other mechanical devices, make it possible to deal with the ever-growing volume of correspondence in a restricted time. Stamp-vending machines which are now so general have also been introduced since the war.

But perhaps the greatest agent in accelerating the delivery of correspondence and affording improved facilities to the public over wide areas has been the introduction of the Post Office motor services. Throughout the length and breadth of the land motor vans and motor cycles owned by the Post Office are now to be found conveying loads of mails, delivering and collecting letters and parcels and carrying

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postmen expeditiously to points where they commence their deliveries. There are 4,600 of these Post Office vehicles in use and the number is still growing. They are mostly driven by postmen and except in outlying places are maintained by Post Office mechanics and repaired in Post Office workshops. These motor services, besides making it possible to give much better facilities to the public, have saved the Department hundreds of thousands of pounds per annum.

Other developments have been the introduction of a Cash-on-Delivery service for parcels which has proved very popular, the affording of facilities for the transmission by post of Literature for the Blind, the introduction of franking machines which are set by the Post Office and avoid the use of stocks of stamps by large firms, the introduction of a Sample Post and of Business Reply Post Cards, the postage on which is paid by the addressee after receipt. The latter service is growing rapidly and there are now 190 firms in Leeds licensed to use it.

Another interesting development was the construction of the Post Office underground railway in London. This undertaking had been begun in 1914 and work had to be suspended on the outbreak of the war. High costs deferred the resumption of work for some years after the Armistice and it was not opened until 1927. It runs from the Eastern District Post Office, Whitechapel, to Paddington, and passes under seven important Sorting Offices as well as under Liverpool Street and Paddington Railway Stations, having connections with all by lifts and chutes. The trains are electrically driven without drivers or guards on board and are operated entirely by automatic means under the control of a switchman at each station. The gauge is two feet and a train consists of three steel wagons each holding half a ton of mails. Its use avoids the delay to mails previously caused by fogs and traffic blocks.

There is one other important development I would like to refer to, and that is the setting up of Whitley Councils, which of course are not confined to the Post Office. There are two Departmental Whitley Councils in the Post Office—one representing the clerical and manipulative grades and one representing engineering and technical staffs—and there is a network of office committees in sub-departments, Head Post Offices and local engineering offices. They provide regularised machinery for discussing matters affecting the staff and their conditions of service, and they have been a pronounced success. They have, to a great extent, substituted personal discussion for the voluminous and inconclusive correspondence of an earlier day.

Post Office Organisation

The Post Office is, in fact, as well as in name, a Revenue Department and it is fairly safe to assume that future Chancellors of the

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Exchequer will endeavour to secure that it remains so—at any rate to some extent. The Post Office is one of the largest commercial or public utility undertakings in the country and while finance is an important and in many questions a dominant factor its principal function is and will continue to be, to provide the services which the public require and to conduct them with the maximum of efficiency.

While the broad aims of the Post Office organisation and that of a commercial undertaking are much the same, viz., efficiency combined with economy, the conditions under which they work are widely different. The Postmaster-General has nothing approaching the autocratic powers and undivided control that a Board of Directors exercises over the affairs of a company. He is subject to the overriding authority of Parliament and the Cabinet and, on many questions, of the Treasury. His expenditure, in common with that of other departments, is governed by the necessity of balancing the National Budget. Each question must be decided not merely with regard to its own merits, but by reference to the possible reactions which it may produce elsewhere, and every decision must be taken with the knowledge that it may be dragged into the arena of public discussion. The Postmaster-General may at any time be asked why a telephone has been refused in one village or a pillar box in another, or why in some remote district Mr. A. has been promoted in preference to Mr. B. and Departmental records must be forthcoming to enable him to sustain or, if necessary, to overrule the decision of his subordinates.

The General Headquarters of the Post Office is at St. Martin's-le-Grand. Here all matters of policy and questions of more than local application are dealt with, regulations and instructions are framed for the conduct of the various services and the guidance of the executive officers in charge of them and a general managerial control is maintained over the whole organisation. By an elaborate system of delegation, wide discretionary powers are conferred upon local officers, varying in extent with their status. These powers have to be exercised in conformity with the standards of service and other instructions prescribed by headquarters, and are usually subject to some definite limitations such as a maximum capital or annual cost, beyond which headquarters' sanction is required.

The Postmaster-General is a Minister of the Crown, appointed by the Government of the day, and he may or may not be a member of the Cabinet. He is responsible for the policy of the Department and is its spokesman in Parliament. His deputy is the Assistant Postmaster-General and he is assisted in his administration by a Departmental Board over which he presides. The Assistant Postmaster-General, the Director-General, the Deputy-Director-General and the heads of various services are members of the Board.

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The permanent head of the Post Office and the Postmaster-General's principal adviser is the Director-General. He is assisted by the Deputy-Director-General and is responsible for the whole organisation of the Post Office and the efficient working of its services.

For administrative purposes the Post Office is divided into three main departments:—

The Postal Services,
The Telegraph and Telephone,
and

The Personnel Departments,
supplemented by the allied departments of the Headquarters organisation, viz.:—

Accountant-General's Department,
Engineering Department,
Public Relations Department,
Savings Bank Department,
Solicitor's Department,
Stores Department.

These departments, while fully responsible within their definite functions, have the duty of co-operating with the administrative departments, which are responsible for the direction of policy and co-ordination.

Next in rank to the Deputy-Director-General come the Director of Postal Services who controls the mail services, both inland and foreign, the Director of Telegraphs and Telephones who is in charge of the Telegraph, Telephone and Wireless services, and the Director of Establishments and Personnel who is responsible for the regulation and remuneration of personnel, recruitment, promotion and the provision and maintenance of buildings.

The Comptroller and Accountant-General is a most important official with very extensive powers. He is appointed by the Postmaster-General with the concurrence of the Chancellor of the Exchequer and he is responsible for the Post Office accounting system in all its branches. Cash receipts and payments passing through the Post Office accounts amount to above £1,200,000,000 a year.

To pass to the local establishments, the metropolitan and provincial organisations are fundamentally different. In London the concentration of an immense mass of work within a small area makes a functional organisation possible and economical and the three main services, posts, telegraphs and telephones have separate organisations, each under its own Controller who is directly in touch with the Secretariat. The staff of the London Postal Service numbers about 33,000.

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In the provinces, unlike London, the administrative boundaries are geographical and not functional. The country is divided into thirteen Surveyors' Districts, and nine of the largest cities—viz., Birmingham, Glasgow, Liverpool, Manchester, Leeds, Bristol, Newcastle, Sheffield and Belfast, with the areas surrounding them form separate districts each in charge of a Postmaster-Surveyor. There is a Secretary to the Post Office in Scotland with limited powers directly responsible to Headquarters.

It may be of interest here to recall that the title of "Surveyor" as used in the Post Office dates from 1715 when six Surveyors were appointed to measure up the post roads in order to fix accurately the postage charges which were then based on distance but they were also to inspect Post Offices, to effect improvements in the services, to check accounts and guard the revenue.

The Postmaster-Surveyor or Surveyor is responsible for the Post Office services within his District—postal, telegraph and telephone—apart from engineering which is under the charge of a Superintending Engineer. He is vested with considerable independent powers of delegation from Headquarters and reports direct to Headquarters on matters upon which superior authority is required. For the telephone work of the district the Surveyor has for his chief assistant the District Manager, who has a travelling staff of his own.

Each Surveyor's and Postmaster-Surveyor's District is divided into a varying number of areas each under the control of a Head Postmaster who is responsible to the Surveyor. The Head Postmaster is directly responsible for his own office and for the inspection and supervision of the Branch offices and Sub-Offices within the Head Office area.

Conclusion.

Owing to lack of time I have been unable to refer to many auxiliary services such as Express Delivery, Railway Letters, payment of pensions, sale of licences and Inland Revenue stamps, or to refer to the other great business carried on, but it might interest you to know that 57,000,000 registered letters and parcels are dealt with annually, that over 200,000,000 War, Widows', Orphans' and Old Age Pensions are paid annually, that 212,000,000 Postal Orders are issued and paid each year, that deposits remaining in the Savings Bank are over £300,000,000, and that Savings Certificates remaining invested number 380,000,000.

The total staff of the Post Office is 228,000 and the profit of the Post Office for the year ended 31st March, 1933, was £10,792,000.

Government in Australia

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I. THE STRUCTURE OF GOVERNMENT

(a) *The Constitution*

The Imperial Act of 1900, which united the people of Australia in one indissoluble Federal Commonwealth under the Crown of the United Kingdom of Great Britain and Ireland, was the consummation of fifty years' experience, and of many years' agitation. And it was a compromise between conflicting local patriotisms and national sentiment, between the desire for domestic independence and the necessity for united action in matters of common concern. In the result, an economy in which there were six separate and somewhat aloof colonies, each with their own parliaments, judicial system, and tariff, was replaced by a Federation comprising a Commonwealth Government and six State Governments. To the Commonwealth Government was assigned certain defined powers in matters of common concern, e.g., tariffs, defence, and currency, while the States retained the residue and, at the same time, preserved their identity as self-governing communities. While each State retained its former Constitution, except in so far as it was altered or controlled by the Commonwealth Constitution, the people in each State, as well as of Australia, also became subject to the Commonwealth Constitution as the fundamental law for both the Commonwealth and the States.

Australians quickly found that a Federal system requires a high degree of political capacity, infinite patience, and a willingness to compromise. Conflicts between State and Federal loyalties are frequent, and these have not been rendered less acute by the realisation that the growing financial supremacy of the Commonwealth is gradually attenuating State independence. Furthermore, in place of Parliamentary Sovereignty confirmed by the Imperial Colonial Laws Validity Act, 1865, the people had to readjust themselves to a situation in which the High Court of Australia repeatedly declared *ultra vires* measures and actions of the Commonwealth and State legislatures and Executive Councils. And amendments of the Constitution by popular referendum have proved exceedingly difficult. Proposed laws for the alteration of the Constitution have been sub-

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mitted to the electors on seven occasions, but only one major alteration—that affecting the financial relations between the States and the Commonwealth—has been approved. Two other minor alterations have been made. The major alterations which have been rejected concerned the trade and commerce powers and the industrial arbitration powers of the Commonwealth: subjects of constant conflict. Liberal, Labour, and Nationalist parties have each had their proposals rejected, even when the electorate seemed to favour their general policy. It has been thought that the rejection has been due sometimes to asking too much, at others to a confusion about the possible effects of the alteration. Again, there has been a fear that the Federal authorities might abuse any additional power, or there has been dissatisfaction with the administrative methods employed in the exercise of existing powers. But shot through every referendum campaign and influencing every decision has been the anxiety lest any extension of Federal powers might reduce the States to the position of mere camp-followers to the Federal authorities.

(b) *The Legislature*

Both in the Commonwealth and the States, the system of Government has been modelled upon that of England. With the exception of Queensland where there is a Single Chamber, the principle of a bi-cameral legislature has been adopted, and the Parliaments comprise the Crown and two Houses of the Legislature. In the Commonwealth the House of Representatives comprises members elected by equal constituencies from within each State, although the less populous States, *e.g.*, Tasmania and Western Australia, are guaranteed five members by the Constitution. The Senate, which was intended to act as a States' House, consists of six members elected by each of the several States voting as a single constituency. There are thus 36 Senators, and the Constitution requires that the House of Representatives shall have, as nearly as practicable, twice the number of Senators. The tenure of office for the House of Representatives is three years, all members retiring together, and for the Senate, six years, one-half retiring every three years. The House of Representatives is presided over by a Speaker, and the Senate by a President, chosen on party lines for each Parliament by the members of the respective Houses. In the States, the Legislative Assembly is elected by equal constituencies (though frequently country constituencies have a smaller quota than those of the metropolitan areas) for three years, and except in New South Wales and Queensland, the Legislative Council is elected by larger constituencies for six years. In some States, *e.g.*, Victoria and Tasmania, a property qualification is required both of candidates and electors for the Legislative Council. Otherwise in all the States and the Commonwealth, the franchise is

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exercised by all adults without discrimination on the ground of sex. In New South Wales the Legislative Council has hitherto consisted of persons nominated to it by the Government of the day. As "swamping" (that is, the nomination in batches of large numbers of members to ensure a majority favourable to the Government of the day) has been resorted to several times in recent years, a reform was approved by the electors in May, 1933, by which the nominee system was replaced by one in which 60 Councillors are elected by the members of the Legislative Assembly and the Legislative Council sitting together. The tenure of the new members of the Legislative Council will be twelve years, one-quarter retiring every three years. With the exception of South Australia and Tasmania Legislative Councillors are not paid, but members of the popular Assemblies, as well as members of both Houses of the Federal Parliament are paid.

The powers of the two Houses of the Legislature throughout Australia are practically concurrent, except that the Lower House (the popular Chamber) alone can originate Money Bills. From this fact it is natural that relations between the two Houses in all the Parliaments should often be strained. Where, in the earlier history of the Colonies, the disagreements arose over broad matters of policy, to-day they usually spring from the advanced social and economic tendencies of Labour Governments. It is said, with some truth, that Legislative Councils thwart the efforts of Labour Governments to improve the conditions of the masses, and consequently it is the policy of the Labour Party to abolish the Legislative Councils. This policy has so far succeeded only in Queensland. Where deadlocks occur the remedy in the Federal Parliament is a double dissolution, but a more satisfactory way has been found in the recent New South Wales reforms. In that State, when a deadlock occurs between the Assembly and the Council, including disagreements concerning taxation and Money Bills, the Government can submit the matter in dispute to a popular referendum, and if the people approve the Assembly can enact the law without the assent of the Legislative Council, if it still refuses to pass the measure.

(c) *The Executive*

In the Commonwealth, the King is represented by a Governor-General, and in the States by Governors. The Commonwealth Government has nothing to do with the appointment of State Governors, which is a matter for negotiation between the respective State Governments and the Dominions Office in London. Since the Imperial Conference of 1926 the status of the Governor-General has been altered to that of the personal representative of the King; but

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in the States the powers of the Governors are unchanged. In their cases they act under the instructions given them upon appointment, as well as in accordance with the Letters Patent creating their office, and would seem to retain a personal discretion in certain matters in which discretion has now been entirely withdrawn from the Governor-General. Otherwise the Governors, like the Governor-General, act upon the advice of their Executive Councils.

Constitutionally, the members of the Executive Council are chosen and summoned by the Governor or Governor-General, and hold office during his pleasure. In practice, the King's representative chooses as Prime Minister or Premier the party leader who can command a majority in the popular house of the Legislature, and the latter recommends for appointment the remaining members of the Executive Council. The Labour Party in Australia has broken away from the tradition that the Prime Minister or Premier has the right to select his own colleagues, and the practice is for the Parliamentary Labour Party caucus to elect the members who are to hold Ministerial office, the Premier having the right only to distribute the portfolios amongst those elected.

(d) The Cabinet

The Executive Council comprises the Ministers and the King's representative, and is the formal or constitutional agency of government. The operative instrument is the Cabinet, all the members of which are also members of one or other of the two Houses of Parliament. Usually the greater proportion of the Ministers are members of the popular House. They are paid a salary fixed by the Constitution, in lieu of their allowance as a Member of Parliament. While the principles of Ministerial responsibility and of responsible government have been adopted throughout Australia, the principle of Cabinet solidarity is being challenged by the practices of the Labour Party. Ministers hold office only so long as they can command the support of a majority of the members of the popular House, and they are responsible for all the acts done by themselves and officials of the Crown. But Labour Ministers are tending to claim responsibility to their party and not to the Premier and this may have important reactions upon the whole system of Cabinet Government.

In many other respects Australian Cabinets tend to belie the conventional descriptions by text writers of the English Cabinet system. There was a time when parties were so stable that our experience did approximate to those descriptions, but since the war the turn over of members has been so great that almost every Cabinet contains men who are not only new to Ministerial rank, but new to Parliament also. This in itself has had unsettling effects upon the

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traditions and practices of Cabinet Government, and has accelerated the tendency to change. When men easily attain Ministerial rank without having had the discipline of responsibility either in or out of Parliament, they are inclined to under-estimate the value of conventions and traditions as well as the need for deliberateness in administration.

(e) The Political Parties

It is usually contended that, for the most effective working of the British Parliamentary system, there should be no more than two parties. Australia largely conforms to this condition, for in recent years the parties have tended to align themselves on the basis of Labour and anti-Labour affiliations. The anti-Labour parties, however, divide on the basis of rural and urban sympathies, and occasionally the differences are so acute as to preclude co-operation against their mutual opponent, the Labour Party. At the moment, the Labour Party is also divided into two main camps, although there are indications that still a third group may be organised. The two main Labour groups divide partly on the ground of personalities, and partly on the ground of State autonomy as against Federal control. In State politics, each Labour Party is autonomous but, in the Federal sphere, the State parties surrender control to the Federal body. Since the ascendancy of Mr. J. T. Lang, leader of the New South Wales Labour Party, a strong party has declared its allegiance to his leadership and challenged the right of the Federal body to interfere in its affairs. But a section of the Lang party has now declared for Socialization of the means of production, distribution and exchange, and dissatisfied with the rejection of their platform by the Lang executive is exploring the possibility of launching a separate group. Outside the main parties, there are Communist and other groups which "run" candidates for election, but these are quite negligible as parties though some of the leaders exert more influence than their political strength warrants.

Since the war, political contests have been waged with an intensity and a bitterness in some of the States, especially New South Wales, which has left an indelible mark upon party methods. Labour parties have exhibited a hypersensitiveness to criticism and have visited by expulsion any indication by members of independence in thought and action. Labour members of Parliament are regimented and disciplined, and in consequence, the pledge and the doctrine of "solidarity" have acquired a new significance. This attitude has not been without its influence upon the anti-Labour parties, and, though there is still some freedom of thought and action and voting permitted to their members the "free lance" and independent

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member have disappeared in some States, and will probably not survive long in the others.

(f) *The Judicial System*

The judicial power of the Commonwealth is vested in certain Courts mentioned in the Constitution. These are the High Court, and such other Courts as the Federal Parliament creates or invests with Federal jurisdiction. Within Australia, the High Court is head of both the Federal and State judicial systems. It has both an original and an appellate jurisdiction. As an Australian Court of Appeal, it can entertain appeals from the Supreme Court of any State, or from any other Court of a State from which at the establishment of the Commonwealth an appeal lay to the Privy Council. In cases where appeals of this nature are taken to the High Court, there is no appeal as of right to the Privy Council. There may be such an appeal where it is a question of the limits *inter se* of the constitutional powers of the Commonwealth and those of any State or States, or as to the limits *inter se* of the constitutional powers of any two or more States, if the High Court certifies that the question is one which ought to be determined by the Privy Council. There may also be an appeal in other cases, whether they involve constitutional questions or questions of Federal or State Law, if the Privy Council itself grants special leave.

Some years ago there was a feeling of resentment against the system of appeal to the Privy Council, but since the war this attitude has undergone a marked change. It can be traced to the altered interpretation of the Australian Constitution by the High Court involving the abandonment of the doctrine of "implied powers" and of the "immunity of State instrumentalities" which had been applied for over twenty years. It is also partly due to the growing bitterness of political feeling which has led to the fear that appointments to the judiciary might not follow traditional lines. In these circumstances it has been felt that the right of appeal to the Privy Council might prove to be a more than ordinary safeguard.

The Justices of the High Court, or other Federal Courts are appointed for life by the Executive Council, and cannot be removed except on an address from both Houses of Parliament in the same session praying for removal on the ground of proved misbehaviour or incapacity.

In all the States, there are Supreme Courts, District Courts, and Courts of Petty Sessions, as well as special Courts, such as Land Courts, and Industrial Courts. Judges are appointed by the Executive Councils of the several States, and the tenure is similar to that of the Federal Justices, although in some of the States, *e.g.*, New

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South Wales, a retiring age of 70 years is fixed. In the minor courts, *e.g.*, Courts of Petty Sessions and Magistrates' Courts, the magistrates are subject to Public Service laws both as to salary, qualifications, and tenure. In these cases, the age of retirement is usually 65 years. The Australian Courts both in the higher and lower jurisdictions have finely maintained the high traditions which have characterised the English judiciary, on whose standards and practices they have carefully modelled themselves.

(g) *Local Government*

Whereas in older countries, local government was deeply rooted and comparatively vigorous before the central governments established themselves, in Australia local government made a tardy beginning after the main structure of the central governments had been fabricated. The needs of the sparsely settled communities in the early days of Australian history were provided by the central governments, and as population increased, the habit developed of leaving matters as they were. In consequence even such services as roads, sanitation, and education continued to be a function of the central government. After fifty years or so, the central government sought to relieve itself of the expense of some of these services and timorously embarked upon a policy of creating local authorities. In some of the States there is a fairly good record of local activity, but in New South Wales it was not until 1906 that the greater part of the settled rural areas were incorporated for purposes of local government. And even then, hardly any of the functions, such as education, public health, police, and charity, which everywhere in older countries are the concern of local authorities, were devolved upon the local governing authorities. In practice, the local bodies are confined to purely domestic matters such as streets, pavements, sanitation, and parks. Water Supply and Main Roads are usually in the hands of State-appointed *ad hoc* bodies. Education, charity and police are State functions, so too are transport and hospitals. Municipal trading is confined to supplying light and power, and there are a few municipal tramways and water works. The capital cities of the Commonwealth stand outside the ordinary system of local government, which is uniform for the whole area within each State. But even in the capital cities, the extent of local control suffers sadly in comparison with municipal effort in other parts of the world.

Again, there is no hierarchical structure of units as elsewhere. We have in the main two units, municipalities and shires. The municipalities are the urban units, and the shires are the rural units. Both are governed by Councils, presided over respectively by Mayors or Presidents, elected by and from the Council with a yearly tenure.

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The Councillors and the Aldermen are elected for three years by electors who usually must have an owner or an occupation qualification. In New South Wales, and in Queensland, there is practically an adult franchise, subject to a residential qualification of usually six months. In some of the capital cities, *e.g.*, Melbourne, the English system of Lord Mayor, Aldermen, and Councillors obtains, the aldermen being co-opted by the Councillors and having a different tenure. Councils are much smaller in numbers than in other countries, the fewer functions making large membership unnecessary. Only one of the capital cities, *viz.*, Brisbane, has established a Greater City Council, and in that case a unified system has been adopted. It also is in the unique position of having a general grant of powers, although every other local authority in Australia is rigidly restricted to the specific powers and functions prescribed in the Charter or Local Government Statute. In discharging those functions, the Councils are practically untrammelled by the central government, though the latter retains powers of inspection, approval to borrowing, and to altering areas and rating limits. Rates are usually levied on the unimproved capital value of the land, though for some services, *e.g.*, water supplies, the rate is on the assessed annual value. Ecclesiastical property is usually exempt from rates provided it is used for public worship or educational purposes. Officials of local authorities are not under the control of the central government, although in New South Wales, there is a central *ad hoc* authority which examines candidates for certificates of qualification to act as Town Clerk, Auditor, Engineer, and Overseer of Works respectively. Unless a person has such a certificate he may not be appointed to a position by a local authority. But there are no qualifications demanded of the remaining officials, all of whom are appointed by the respective Councils.

There has been little experimentation either in regard to areas or methods of administration in local government in Australia, and there is no inclination to use local authorities as agents for the central government even for services such as maintenance of public buildings, *e.g.*, schools, post offices, and court-houses, for which they have the necessary resources.

II. THE MACHINERY OF GOVERNMENT

When the Federal system was established in 1901 certain services, such as the Customs Department, the Post Office and Defence units were immediately transferred to the Commonwealth Government which thereupon proceeded to organise its administrative machinery. In course of time, besides the Treasury, the Works Department, and the legal offices, there were added Pensions, Taxation, Navigation,

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Health, Territories, and other departments. But it never seemed to have occurred to the original Commonwealth authorities that it might have been possible to continue to use the State officials as agents for the performance of Federal duties. Some departments might not have lent themselves to that method of organisation, but others undoubtedly did. Generally speaking they conform faithfully to Bagehot's description of the English Service of his day. "The offices have never, since they were made, been arranged with any reference to one another; or rather, they were never made, but grew as each could." That they grew to some stature can be realised from the fact that at the 30th June, 1932, there were more than 32,000 persons employed by the Commonwealth Government (under the jurisdiction of the Commonwealth Public Service Board), and that number is more than 5,000 less than in 1929.

Paralleling many of the Federal Departments, and in several instances extending beyond them are the State departments, employing in round figures about 200,000 persons. The number is swollen by reason of the inclusion of Railway and Tramway employees, police, and teachers, because as has already been remarked, transport, education, and police protection are provided by the State.

Throughout the Commonwealth, the administrative activities are organised mainly on the basis of the services to be performed, amongst departments, for each of which a Minister of the Crown is responsible. Under the Minister is the Permanent Head of the department, with the title of Secretary, Under-Secretary, Director, or Comptroller as the case may be. And responsible to him are the heads of Branches, sub-departments, and sections. While the political heads vary with changes of government, the permanent heads and the officials under him have permanency of tenure. The bulk of the personnel employed in the principal departments is subject to public service enactments. That is to say, there are Public Service Acts which constitute Boards of Management and which prescribe conditions as to qualifications, tenure, and remuneration of officials. These Boards represent a distinctive Australian contribution to public service organisation. They combine the functions of the English Civil Service Commission of examination and recruitment, and of the English Treasury of organisation and management. They differ from their American prototype by their higher prestige, and the greater immunity of their decisions from political interference.

But not all departments are under the immediate direction of Ministers of the Crown, and not all the staff is subject to public service enactments. Public utilities such as Railways, Water and Sewerage, Harbours, Electricity, and Main Roads are generally organised under

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quasi-independent *ad hoc* Commissions. Others like the Commonwealth Bank are almost wholly independent of political control, and stand quite outside the conventional government system. In all these cases, the staff is under the control of the respective Boards or Commissions which lay down their own rules for recruitment and organisation. But all alike, Public Service Boards, and *ad hoc* Commissions, share with the Arbitration Court the determination of rates of remuneration, and sometimes the conditions of employment, for the great bulk of the personnel, a duality of control which is often irritating.

For all but a small number of Public Service appointments, the principle of open competition is adopted. The competition may be either a written or a *viva voce* examination, coupled with the scrutiny of testimonials. The *viva voce* competition is usually adopted for professional and for technical or manipulative positions. For the higher personnel, *e.g.*, members of boards and commissions, the appointments are made by the Government of the day. The pressure of public opinion alone can determine that these appointments shall be on the basis of merit and proved ability. Recently there has been a tendency especially in New South Wales for the Labour Party to give these positions to avowed political supporters, a development which created considerable unsettlement both in the Public Service and outside it.

For practically all clerical positions the method of recruitment is invariably by written examinations. And furthermore the appointment is usually to the lowest grade in that division. That is to say, the governing policy in recruitment is from below, and the defects of this method are only slightly tempered by a system of internal promotion tests. Some slight recognition has been given to the principle that higher administrative positions demand special qualifications by requiring in some of the services, notably that of New South Wales, that officers shall prove by examination that they possess them. But at best this method is only a poor substitute for the English system of objectively recruiting its administrative division by an exclusive initial examination.

The development of associations of civil servants has given prominence to the political rights of public servants. There are two aspects of this problem: the activities of groups, and those of individuals. Considerable latitude is allowed to individuals to engage in political activities, but only in New South Wales and Western Australia is it possible for an officer to contest an election, without resigning his official position. If elected, he must resign from the Public Service. If unsuccessful he may resume his official duties.

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a case of Federal servants, and of those of the other States, and must resign when he nominates for election.

The attitude of groups of officials differs according to whether they are clerical or professional officers, or engaged in manipulative activities. In the latter case, their associations are usually affiliated with the Labour Party. The other organisations officially declare themselves free from all political parties, although they are prepared to use the most of their voting strength to bargain with different political parties for concessions. There is nothing in Australia corresponding to the regulations promulgated under the British Trades and Trade Unions Act, 1927, although Section 66 of the Commonwealth Public Service Act deals with the position of Federal servants in relation to strikes.

The world economic depression fell with great severity upon Australian Governments, which in turn effected many economies, especially in rates of remuneration, in the several public services. Although there have been some protests by staff associations at the manner in which the salary reductions were made, there has been, on the whole, cheerfully accepted, and the Public Service has emerged with enhanced prestige from the test to which it has submitted.

Notes

RECENT LEGAL DECISIONS AFFECTING PUBLIC ADMINISTRATION

By F. A. ENEVER, M.A., LL.D.

SYNOPSIS

Vehicular Approaches over Footpaths ; Negligence ; Entertainments ; Poor Law Settlement ; Superannuation Scheme ; Surcharge Appeals ; Differential Rents ; Public Authorities Protection ; Alteration of Boundaries of County Districts ; County Valuations ; Drainage Rate ; Clearance Order ; Road Charges under Private Street Works Act.

Vehicular Approaches over Footpaths

The case of Marshall (since deceased) and another *v.* Blackpool Corporation has now come before the House of Lords on appeal and has resulted in a decision in favour of the original plaintiffs. The decisions of the Divisional Court in favour of the plaintiffs and of the Court of Appeal in favour of the defendant Corporation are reported in XI PUBLIC ADMINISTRATION, 105, 405.

Lord Atkin, in giving judgment, referred to the desirability, in order to construe s. 62 of the Blackpool Improvement Act, 1879, of considering what the rights of the appellants (the frontagers) would be if no such enactment were in existence. The owner of land adjoining a highway had, he said, a right of access to the highway from any part of his premises. The rights of the public to pass along the highway were subject to that right of access, just as the rights of access were subject to the rights of the public, and must be exercised subject to the general obligations as to nuisance and the like imposed on a person using the highway. Apart from any statutory provision, there was no obligation on an adjoining owner to fence his property from the highway. As far as his Lordship could see, s. 62 of the Act of 1879 did not even purport to affect the right of the adjoining owner at all. It was directed to works and to works only. The place of the communication must be stated to enable the Corporation to judge what provision was made for kerbing and for a paved crossing and to consider the dimensions and gradients of the necessary works. The Corporation might consider the nature of the proposed user in order to judge how the way should be constructed, both as to surface and kerbing and in relation to the gradient. If the actual works, either by the steepness of the gradient, or the depth of the side kerbing, would be likely to affect the safety of pedestrians on the footway or of vehicles on the roadway, there seemed to him no reason why they should not take those factors into account. But they were not entitled to take into account questions of safety and convenience of the public except in so far as affected by the nature of the works. They might not, therefore, take into account the nature and extent of the proposed user of a communication in itself safe and sufficient for that user. (*The Times*, 26th June, 1934 ; 177 *Law Times*, 453 ; 98 *Justice of the Peace*, 445.)

Negligence

In *Liddle v. North Riding of Yorkshire County Council* the Court of Appeal allowed the defendant Council's appeal against an award of £1,562 damages in respect of injuries sustained to the plaintiff, a boy aged six years, in falling off a 4 ft. 6 in. wall along a road to which the Council were making improvements. Against the wall was a heap of soil by means of which the infant plaintiff clambered up and sat on the wall. On the other side of the wall was an 18 ft. drop into a field. The plaintiff fell backwards over the wall and sustained injuries. On his behalf it was alleged that the place was dangerous, that there was allureurement and a trap, and that there was negligence in having a heap of soil against the wall.

The Court of Appeal (Scrutton, Greer and Slesser L.JJ.) held that no facts were proved which would give a cause of action against the defendants, and Lord Justice Scrutton, in the course of his judgment, stated that there was abundant evidence that

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the children of the neighbourhood used to play about the works when no one was there and that if workmen were there, the children were always warned off. The plaintiff had been warned off by a workman. The only connection of the heap of waste soil with the matter was that it made it easier for the boy to get to the wall to sit on it and provided a safer seat for him because he could, and must, use it as a foot rest. The defendants took no action which injured the boy and they had certainly not invited him to sit on the wall. The cause of action, if any, must be that the defendants created an attractive and dangerous combination which led the boy to go into danger and that they took no sufficient steps to prevent him from being tempted and so led him into danger. The question was whether the facts could possibly lead to that conclusion. To make the landowner liable for injury to a child on his land it must be proved that he expressly or impliedly invited children on his land and either did an act which caused damage with knowledge that it might injure the children, or knowingly permitted the existence on his land of a hidden danger, a trap. His Lordship commented on the fact that the jury had received no directions on the question whether the plaintiff was lawfully using the highway, or as to what the defendants' duty was. He held that there was no evidence on which a reasonable jury could find negligence against the defendants. (98 *Justice of the Peace*, 273 ; 78 *Law Journal*, 304 ; 78 *Solicitors' Journal*, 349.)

Entertainments

The Court of Appeal has upheld, subject to one variation, the judgment of Mr. Justice Luxmoore in *Attorney-General v. Eastbourne Corporation* (XII PUBLIC ADMINISTRATION, 186). The point on which the Court of Appeal (Hanworth M.R., Romer and Maugham L.JJ.) differed from Mr. Justice Luxmoore was with regard to the concerts at the Redoubt Bandstand. In that case, said the Master of the Rolls in the course of his judgment, the entertainment was in the nature of a variety entertainment, and the performers were directly engaged by the Corporation, and so *prima facie* it was prohibited by s. 17 of the Eastbourne Corporation Act, 1926. In his opinion, the view that the entertainment was not in a building within the meaning of the section was not well founded. Whether or not a structure was a building was, he said, no doubt a question of fact and in some cases it might be difficult to draw the line. But the bandstand at the Redoubt was, in his view, undoubtedly a building, and indeed was one erected by the Corporation pursuant to the duty which they owed to the public under s. 17 of the Act of 1926. Except as to this matter the appeal was dismissed, as also was the cross-appeal of the Corporation. (*The Times*, 18th July, 1934.)

Poor Law Settlement

In *Coventry Corporation v. Surrey County Council* the House of Lords has reversed the decision of the Court of Appeal (XII PUBLIC ADMINISTRATION, 187) and has restored the order of the Divisional Court to the effect that a settlement could be obtained under s. 86 (1) of the Poor Law Act, 1930, by a poor person, being an illegitimate child under 16 years of age in respect of whom an adoption order had been made. From a time prior to the date of the adoption order, namely, the 25th November, 1927, the adopters had continued to be and still were irremovable from and last settled in the City and County Borough of Leicester. From October, 1931, to July, 1932, the poor person was an inmate of the Gordon Boys' Home at Woking, Surrey, and from that date had become chargeable to the County of Surrey. In September, 1932, an order was obtained for his removal to the City and County Borough of Coventry, being the poor law settlement of his natural mother. The Coventry Corporation appealed to Quarter Sessions against this order and, on a special case being stated for the opinion of the High Court, the Divisional Court held that the poor person had acquired a settlement at Leicester by residence therein with the adopters for upwards of three years, and quashed the removal order. This decision was reversed on appeal, but, as stated above, the House of Lords had now restored the decision of the Divisional Court.

Lord Atkin, in giving the judgment of the Court, said that the dispute arose as to the effect of the provisions of the Adoption of Children Act, 1926, on the sections of the Poor Law Act, 1930, dealing with settlement. The respondents, the Surrey County Council, in fact represented Leicester. After referring to the reliance placed on s. 85 (1) of the Act of 1930 by the respondents in support of the contention that the poor person, being illegitimate, followed the settlement of his mother up to the age of 16 and retained that settlement until he acquired a settlement of his own, his Lordship examined ss. 86 (1) and 93 (4) of the Act, on which the appellants, the Coventry Corporation, relied to show that the poor person had acquired a settlement of his own in Leicester. The Act of 1926, he said, did not put the adopter and the child in the position of natural parent and child for all purposes, but as to the matters enumerated in s. 5 (1) of that Act, custody, maintenance and education, it did in the plainest language transfer from the natural parent to the adopter the whole of the rights and obligations that flowed from parenthood; and placed the child in the same position as though he were the lawful

natural child of the adopter. His Lordship could not entertain any doubt that s. 93 (4) of the Act of 1930 was a section concerning the rights and obligations of the parent or of the child as to custody, maintenance or education. The section gave the right to the father and mother named to retain the custody of the child under 16, and not to have him or her removed from them. The child had an equal right not to be removed from its parents. It followed that the adoptive parents had the same right; so had the adopted child. In other words, the adopted child under 16 was irremovable, and, as the conditions of s. 86 were complied with, the child in this case acquired a settlement of his own in Leicester. (*The Times*, 20th July, 1934; 78 *Law Journal*, 105; 98 *Justice of the Peace*, 492).

Another recent case on the subject of poor law settlement was Lancashire County Council v. Southport Borough Council where the question at issue was as to the effect on poor law settlement of the division of a poor law area into a county area and a county borough area. From 1896 a poor person had, except for a few days residence in March, 1913, in the County Borough of Southport, resided in the Parish of Ormskirk, Lancashire, and from March, 1913, to March, 1931, had been an inmate of the Ormskirk Union Poor Law Institution. On the 1st April, 1930, under the provisions of the Local Government Act, 1929, the area comprising the County Borough of Southport became a separate poor law area and the area comprising the Parish of Ormskirk became part of the poor law area of Lancashire. From March, 1931, till the 3rd March, 1933, the poor person resided in Southport and from November, 1931, had been in receipt of relief. On the 3rd March, 1933, a Court of Summary Jurisdiction, on the application of the Southport Borough Council, ordered the poor person's removal to the County of Lancaster. The Lancashire County Council appealed to Quarter Sessions, which allowed the appeal, the Court being of opinion that the poor person was resident in Southport immediately before the 1st April, 1930, and had acquired a status of irremovability therein. On appeal by the Southport Borough Council, the Divisional Court held that under s. 104 of the Poor Law Act, 1930, the poor person had acquired a settlement in Lancashire and had not acquired a status of irremovability in Southport by reason of residence there for one year before the application for the order, that the order of the Court of Summary Jurisdiction was right, and that the appeal must be allowed. (98 *Justice of the Peace*, 345.)

Superannuation Scheme

The Court of Appeal has reversed the decision of Mr. Justice Farwell in *Gissing v. Liverpool Corporation* (XII PUBLIC ADMINISTRATION, 187) which was a test case affecting hundreds of other cases, mostly in Liverpool, and raised a difficult and important point due to the complexity of legislation over the wide field of local government law dealing with public health, poor law and other matters. The result of the appeal is that the plaintiff is held entitled to a pension under the Poor Law Officers Superannuation Act, 1896, which Act established a compulsory pension system. Mr. Justice Farwell had held that there was an unfortunate slip in the Local Government Act, 1929, that the responsibility of the Guardians to pay the pension had not been transferred to the defendant Corporation, that the question turned entirely on the construction of the opening words of s. 124 of the 1929 Act, and that the defendant Corporation could not, under them, justify payment of the pension to the plaintiff.

Lord Hanworth M.R., in giving judgment, pointed out that under s. 119 of the 1929 Act all the officers of the West Derby Poor Law Union were transferred to the Corporation and that under s. 113 all the property and liabilities under the Act of 1896 were also transferred, including any obligation to carry any sum of money to the account of a sinking fund. Careful examination of the Act of 1896 suggested that questions of difficulty might arise as to the quantum of contributions to be made and the times when they were to be made and his Lordship questioned whether it could be said that the language of s. 124 of the Act of 1929 connoted a rigid compliance with the Act of 1896 and did not refer to such contributions as had been made in an effort to comply with the provisions of the Act, notwithstanding mistakes. In his opinion, the Judge had given too rigid and severe an interpretation to the words of s. 124. Properly interpreted, there was no impediment to the plaintiff receiving her pension. (*The Times*, 14th July, 1934; 98 *Justice of the Peace*, 478; 178 *Law Times*, 77.)

Surcharge Appeals.

The Court of Appeal has reversed the decision of the Divisional Court in the case of *In re* a decision of H. W. McGrath, District Auditor of No. 1 Audit District, Durham, to the extent of restoring the District Auditor's disallowance of a payment of £700 to the County Accountant for additional remuneration at the rate of £70 per annum from 1921 to 1931 in the supervision of the local taxation department. The facts and the decision of the Divisional Court are reported in XII PUBLIC ADMINISTRATION, 188.

Scrutton L.J., in giving the decision of the Court, in which Greer and Maugham

L.J.] concurred, referred to the fact that from 1921 to 1925 the Council took no steps to increase the County Accountant's remuneration and stated that the records of the Council or its committees contained nothing to show that the determination in 1925 to increase the salary by £100 was provisional and that the period from 1921 to 1931 was still open to review. He could not think that unrecorded conversations with representatives of the parties in power and other matters mentioned could control or interpret the clear language of the resolution. To allow representative bodies, years after remuneration of their officers had been clearly fixed, to make further payments in respect of past years because they thought that their predecessors had not paid enough would be most prejudicial to the working of local government and unreasonable in the highest degree. The Council's action in voting remuneration in 1931 for work already provided by resolution was, in his Lordship's opinion, unreasonable and contrary to law. The effect of the present decision was to establish that this kind of retrospective *ex gratia* payment was contrary to law and possibly to make for better government in the future. (*The Times*, 10th July, 1934; 178 *Law Times*, 78; 78 *Law Journal*, 61; 98 *Justice of the Peace*, 461.)

Differential Rents

The novel scheme of the Leeds Corporation to apply varying rents according to the means of the respective tenants in respect of houses of the same class became the subject of a test case in the Leeds County Court in May last. The Corporation sued Mr. J. R. Jenkinson, Secretary of the Leeds Federation of Municipal Tenants' Associations, for possession of and for rent due for a house which was one of many erected by the Corporation with the financial aid of the Ministry of Health under the Housing (Financial Provisions) Act, 1924, and not within the protection of the Rent Restriction Acts. Section 3 of the Act of 1924 provides as follows:—

- (1) Houses provided by a local authority themselves shall be deemed to be subject to special conditions if the local authority undertake, in accordance with rules made by the Minister (of Health) and approved by the Treasury, that the following conditions will be complied with in relation to the houses:—
 - (e) that the rents charged in respect of the houses shall not in the aggregate exceed the total amount of the rents that would be payable if the houses were let at the appropriate normal rents charged in respect of working-class houses erected prior to the 3rd day of August, 1914.
- (3) For the purposes of this section the appropriate normal rent shall be deemed to be such rent, exclusive of rates, as the local authority determine, in accordance with rules made by the Minister, to be the rent that is normally charged in the area of the local authority in the case of working-class houses erected prior to the 3rd day of August, 1914: Provided that different rents may be so determined to be the appropriate normal rents as respects different classes of houses and as respects different parts of the area.

In giving judgment in favour of the Corporation, Judge Woodcock stated that such differentiation as is permissible under s. 3 of the Act does not include any power of differentiation in respect of the means of the tenants; that the power applies to the houses only and not to the occupiers. A public authority, his Honour stated, does not stand in the same position legally as a private individual in the exercise of its rights and powers. The private owner of property let to a tenant can—apart from the Rent Acts—give a notice to quit for any reason, however capricious, or for no reason at all. The statutory power which dominated the whole of this case and governed the relations between all local authorities and their tenants appeared to his Honour to be that contained in the Housing Act, 1925 (s. 67) which provides that:—

- (1) The general management, regulation and control of the dwelling-houses provided by a local authority under this part of this Act or any Act repealed by this Act shall be vested in and exercised by the local authority.
- (2) The local authority may make such reasonable charges for the tenancy or occupation of the dwelling-houses so provided as they may by regulations determine.

It had been alleged, and not questioned, that the rent proposed to be charged was the full economic rent, and so his Honour had no hesitation in finding that it was a reasonable rent. He took the view that all the arrangements between the Minister of Health and the Corporation were matters which did not affect the relation of landlord and tenant as between the authority and its tenants. There was no evidence before him that the new rents would exceed the aggregate of the agreed rents for the area, and he could find no ground for holding that the action of the Corporation was *ultra vires*. (*The Times*, 15th March, 1934.)

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Public Authorities Protection

A point of some practical interest in local government as to the extent of the protection given by the Public Authorities Protection Act, 1893, as regards claims made on behalf of children was recently decided in the case of *Shaw and others v. London County Council and others* (178 *Law Times*, 8; 78 *Solicitors' Journal*, 519; 78 *Law Journal*, 44; 98 *Justice of the Peace*, 461). The plaintiffs were infants who, while patients at a London County Council hospital in October, 1932, contracted a disease owing, it was alleged, to the unskilfulness, negligence and breach of duty of the medical superintendent of the hospital. The writ was not issued until January, 1934, *i.e.*, beyond the limit of six months within which actions may be brought against a public authority under s. 1 of the Act of 1893. It was argued on behalf of the plaintiffs that, by virtue of s. 7 of the Limitations Act, 1623, the Act of 1893 did not begin to run until an infant was 21 years of age and that s. 2 of the Act of 1893, while repealing so much of any public general Act which laid down a time limit in regard to any proceeding to which the Act applied, left untouched the provisions of the Act of 1623 respecting children.

Mr. Justice Roche held that the plaintiffs' claim was barred except in so far as it was in respect of a cause of action arising six months before the writ was issued. The wording of the Act of 1893 was absolute and no exception was made in regard to infants. He doubted whether the Act of 1893 repealed any part of the Act of 1623 because the Acts dealt with different matters, but held that if any of the older Act was repealed then the whole was repealed.

Alteration of Boundaries of County Districts

The question arose in the case of *Rex v. Minister of Health; ex parte Purfleet Urban District Council* (*The Times*, 24th July, 1934; 98 *Justice of the Peace*, 493) whether a County Council, having already made proposals to the Minister of Health in pursuance of their duty under s. 46 of the Local Government Act, 1929, for the alteration of the boundaries of the districts in the county, which proposals were not adopted by the Minister, were *functus officio* and whether the supplementary proposals they had since made at the invitation of the Minister were *ultra vires*. The Court of Appeal (Scrutton, Greer and Slessor, L.J.J.), affirming the majority decision of the Divisional Court, held that this was not the case, that there was nothing in the Act which prevented the Minister of Health from asking the County Council whether they would consider further matter, or whether they stood by their original proposal (the Minister not having at that time come to any final decision) and that there was no ground whatever for saying that in this case the Minister had acted without jurisdiction or in excess of jurisdiction.

County Valuations

In *Coulsdon and Purley Urban District Council v. Surrey County Council* (178 *Law Times*, 46) Mr. Justice Clauson held that the defendants, through their County Valuation Committee, in appointing valuers to value special properties, such as water undertakings, racecourses, licensed premises, etc., and in offering to place such valuation at the service of the rating authorities, had not usurped the functions of the plaintiffs, as the rating authority, but that in doing so they were properly carrying out the duties imposed on them by s. 18 of the Rating and Valuation Act, 1925, for "promoting uniformity in the principles and practice of valuation and assisting rating authorities in the performance of their functions."

Drainage Rate

In *Lodge v. Lancaster County Council* the facts were that the plaintiff up to 1928 paid a rate of 9d. per annum on an acreage basis in respect of his property. In that year, at the invitation of the defendants, he commuted the rate by making a capital payment. On the passing of the Land Drainage Act, 1930, the defendants reimposed a rate on the basis of gross annual value of the property, their contention being that s. 24 (4) of the Act of 1930 created a new rate which they were bound to levy. Section 24 (4) of the Land Drainage Act, 1930, provides: "Every rate made by a drainage board shall be an annual value rate, that is to say, a rate assessed on the basis of annual value as regards all hereditaments, and, subject to the provisions of this section, every drainage rate shall be assessed at a uniform amount per pound throughout the area." The Justices of *Morcombe* held that a distress warrant be issued for payment of this rate but that the warrant be suspended pending the decision of the High Court.

It was held that the defendants should abide by their bargain, made in 1928, to commute all future drainage rates, and that the Act of 1930 did not create a new rate, but merely fixed one of two previously existing alternative methods of assessing property. (98 *Justice of the Peace*, 508; 124 *Estates Gazette*, 153.)

Clearance Order.

A Clearance Order was made by the Jarrow Town Council under the Housing Act, 1930, in February, 1933. In the following May an Inspector of the Ministry of Health

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held a public local inquiry into the matter, when evidence was given on behalf of, among other persons, the owners of part of the property in the clearance area that their property could be made fit for habitation by the execution of certain repairs which they were willing to perform. In September, 1933, the Inspector called a meeting between the medical officer of health and these owners, as a result of which the parties agreed on the repairs which ought to be undertaken. The Jarrow Town Council, however, were still of opinion that a demolition order ought to be made. As a result of correspondence between the Minister of Health and the Council, three members of the Minister's staff visited Jarrow in January, 1934, inspected the area and interviewed certain persons, but the owners in question were given no opportunity of being present. Further, the Minister received a letter from the Council setting out the views of their borough engineer, who was not present at the inquiry. In March, 1934, the Minister confirmed the order.

The owners in question applied to the Court to quash the order, alleging that the Minister had acted unfairly towards them in receiving evidence which the applicants had no opportunity of testing by cross-examination, or of answering.

In giving judgment dismissing the application, Mr. Justice Swift said that the Act of 1930 provided that if there was no objection to the clearance order, the Minister might confirm it, but that if there was an objection, there must be a public inquiry and a consideration of the report and of any objections. His Lordship thought that the Minister was entitled to make the inquiries which he had instituted and that the Court could not question any order made after such inquiries, provided they were conducted fairly and honestly. It was impossible to say that in this case the Minister had not complied with all the requirements of the Act, or that he had done anything which the Act forbade. The application was accordingly dismissed. (*In re The Jarrow North Ward (No. 1) Clearance Order, 1933; ex parte Errington and others, The Times*, 31st July, 1934.)

Road Charges under Private Street Works Act

In *Audershaw Urban District Council v. Yarburg-Bateson and others* (124 *Estates Gazette*, 191) the plaintiff Council appealed against a decision of the Justices in favour of frontagers who had been served with notices to repair a road under the Private Street Works Act, 1892. The facts, shortly, were that the road was made by the Manchester Corporation in 1875 when they constructed their waterworks and, by an agreement of 1878, they assumed an obligation to keep it in a certain state of repair. The road fell into disrepair after 1914 and in 1926 litigation ensued between the Manchester Corporation and the Audershaw and Denton District Councils as to the extent of the Corporation's liability to keep the road in repair to meet modern needs. It was held that the Corporation were only liable for the upkeep of the fabric with a surface of the character stipulated by the 1878 agreement, which was less than that of modern needs. The Manchester Corporation paid a sum of money to the plaintiff Council in consideration of the latter taking over the Corporation's liability. The frontagers claimed that this money should be brought into account by the Council and that the apportionment was inaccurate. The Justices upheld this contention and the Council appealed.

Lord Hewart C.J., in giving judgment, said that it would be wrong to suggest that the Council were bound to make up the road to the standard required by the Private Street Works Act, 1892, and remarked that it was difficult to assess the lesser amount which the frontagers would have had to pay if the road had been kept in good repair. It could not be said, however, that there was no evidence on which the Justices could decide that the apportionment of expenses by the Council was inaccurate. The appeal was, accordingly, dismissed.

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LOCAL SURVEYS

The Social Survey of Merseyside

Edited by D. CARADOG JONES. 3 vols., 328, 413 and 560 pp. (University Press of Liverpool; Hodder and Stoughton, Ltd.) 45s.

THIS Survey is worthy to rank with that of Booth for London, and contains distinctive features of its own. An outline of the survey gives some idea of its scope, though little of its wealth of detail—the history of the development of the area (a very interesting and succinct first chapter), the contribution of different nationalities, analysis of population (age, sex, marital condition), overcrowding, poverty, municipal housing, working-class budgets, industry, unemployment, surplus of labour, investigation of several normal groups (infants, school children, adolescents, families without a male head, pensioners) and of subnormal types (deaf and dumb, blind, mentally deficient, physically defective, destitute), public administration, social services, fertility among different classes. The survey was rendered possible by a grant from the Rockefeller Foundation and the money has borne good fruit. Tribute is paid to central and local officials for help rendered in the survey.

How to review a monumental work of this kind is a question. To give some of the outstanding facts and tentative conclusions elicited by the survey is very tempting, but it would be difficult to know where to stop. Those who are interested in surveys in general or in particular questions with which these volumes deal should consult them, because quotations could not do justice to the riches of information and the ingenuity of investigation and tabulation. Now that a comprehensive survey of a large provincial city has been produced, it is not beyond hope that others will follow, and it may be more advantageous to consider some general questions arising out of investigations of this kind, prefacing them with a warm tribute to those who have been responsible for this exhaustive survey.

The three volumes are a quarry. They are not likely to be read with care by many except students and those specially interested, professionally or otherwise, in particular subjects. For the most part they do not make easy reading, facts and figures pile up in the mind

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to weariness and even confusion with the least flagging. This is more or less inherent in the subject and method, but we need to consider whether the way of presentation of matters of this description cannot be improved, the better "to get across" the results, whether to student, public servant, social worker or general public. If I am a general reader, wishing to inform myself of prevailing conditions, what I want is a statement of results, concise and at the same time interesting, without too much burden of detail, much less of multitudinous statistics, though with occasional telling instances to give the narrative life (there are several in these volumes). If I am a student, what I require are the data, put statistically where possible, with sufficient information to judge of their value and with their significance set forth as concisely and as baldly as possible. Attempts to combine the two are apt to fall between two stools.

Some time ago an elaborate survey was carried out at great cost of the Greater New York Region, primarily for the purposes of planning, and the results published in several volumes. Later a popular volume of moderate size was issued for the general public, bringing out some of the salient features. The Liverpool volume, like those of New York, will for many years prove a rich quarry for students and publicists (and many will no doubt extract material to support preconceptions and prejudices), but it is also necessary to appeal to the general public, or rather the more thoughtful section of it. Liverpool might well consider whether to follow the New York example.

The place of the survey in social research is another question which comes to mind in reading these volumes. Its primary purpose is to set out the facts about place and inhabitants, of which otherwise even the best informed has only glimpses or sectional views. "The function of a survey," to quote from the volumes, "is the more modest one of describing what can be seen on the surface and analysing the effects of the immediately controlling forces." But the survey throws up many problems, such as those of the inheritance of certain physical or mental defects (the survey gives some striking cases), the relation of these to destitution, the very interesting questions raised in the last chapter on differential fertility. The facts of any one city, perhaps even the largest, can but suggest; for any but very tentative conclusions research must extend over a much wider field. There are few more urgent needs at the present time than the increase of the exiguous amount of genuine social research which is now being undertaken.

The value of surveys of this kind is very great. History is the best schoolmaster of statesmanship. The difficulty is to know the facts of history and their significance. Great would have been the service of

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similar surveys if they had been made in past years, even at long intervals, for our understanding of social conditions and developments! This is illustrated by the second "Booth" survey of London. A better sense of perspective and a sounder tradition would have developed.

The provision of so rich a store for general use is ample justification for the survey. But the question also arises whether, in addition to casual use of material, some systematic measures could not, and should not, be adopted for applying the information to present problems. The survey has been carried out under the auspices of the University, which has deserved well of the local community, and of the country, for undertaking it. The University may be able to carry their service still further by spreading a knowledge of the information gained and its significance for current problems—not an easy task because of the danger of becoming entangled in Party politics, but a task well worth doing, indeed badly needing to be done, because now more than ever does Governmental and other social policy need to be based on sound impartial knowledge.

These are but a few of the thoughts raised by this admirable survey, a survey for which warm gratitude is due to those through whose generosity it has been undertaken and to those who have carried it out.

I. G. G.

Work and Wealth in a Modern Port: An Economic Survey of Southampton

By P. FORD, Ph.D., University College, Southampton. (Allen & Unwin.) 10s. 6d. net.

To most of us the very name Southampton is invested with a sort of glamour. It inspires us with visions of great steamers rolling down to Rio, of tired trains mingling with the street traffic on their way to the sea, of Britishers from the far ends of the earth seeing "home" for the first time. Mr. Ford's book does nothing to add to the glamour; it was not of course intended to, but possibly the author goes too far in regarding Southampton not so much as a living entity as a quarry from which economic and sociological facts may be dug. He goes some way in fact to strip Southampton of its glamour; he writes of the hard facts of industry, housing and crime, and much of the survey was done in 1931, during the depths of the depression. It is no criticism of the author to say that the book might aptly be called: "Unemployment and Poverty in a Modern Port."

He finds that in 1931 about 21 per cent. of the families in Southampton were below the poverty datum-line, and that no less than

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one-third of the families were in a state of potential poverty, *i.e.*, the householder had insufficient income to maintain himself and his dependents. About two-thirds of the primary poverty was due to unemployment, and the "below-line" families were paying on the whole higher rent in absolute amounts than those above the line. In so far as the position at Southampton may be regarded as typical, we may conclude that under present conditions poverty is due not so much to low wages as to insecurity of employment and inability to find adequate housing-accommodation at a rate that the occupier can afford to pay.

One is lost in admiration at the labour and patience that went to the making of this book. To quote from the preface, "The survey was first planned in 1927-28 and has included a study of 21,000 families, and a random sample households inquiry; as well as a good deal of other statistical work. Surveys of this kind are usually endowed in some way or other, but this had to be conducted with no other assistance than three annual grants from the Research Funds of University College, Southampton; and no special secretarial assistance of any kind was available. The load was a heavy one to carry in addition to full-time University work . . ." One marvels how it proved possible with such meagre equipment to compile even a single one of the fifty or so statistical tables that the book contains.

Mr. Ford makes the fullest use of any comparable data that are available, and his book is therefore of much more than local significance. Every page of the book shows the mark of an exact scholar: Mr. Ford defines his terms, explains the standards on which his conclusions are based, shows the conditions and limitations of each inquiry, and assesses the margin of error of his conclusions. Having reached a conclusion, he all too rarely permits himself the luxury of any generalized comments: among the few cases in which he does, his discussion of the various types of means test and of the problem of housing estates are of special interest to the administrator. We hope that in his next book Mr. Ford will render a still greater service to public administration by helping us to realize the implications of his discoveries.

W. D. S.

SOCIAL SERVICE AND INVESTIGATION

The New Philanthropy

By ELIZABETH MACADAM, M.A. (George Allen & Unwin, Ltd.) 7s. 6d. net. THIS is a timely survey of the social services which form so large a part of the public activities of to-day. Their different aspects, statu-

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tory and voluntary, are recorded, their defects are criticised and suggestions are offered for more effective co-ordination and greater efficiency.

The statutory services which are reviewed apparently do not include national health insurance, unemployment insurance and old age pensions. Against the other services which are mentioned it is urged that they need closer co-ordination and the remedy proposed is that an advisory board should be set up for that purpose.

Similarly we are told that the voluntary charities ought to be supervised and co-ordinated by compulsory registration with the Charity Commissioners and by the establishment of a voluntary central board of charities which would work in association with the advisory board for the Civil Service.

These are the principal recommendations, but the survey of voluntary organisations classified in relation to such questions as home assistance, health, housing, the elementary school and delinquency is accompanied by other suggestions, some of which should meet with ready acceptance, while others require fuller consideration before being adopted or are frankly controversial. The chapter on delinquency is worthy of commendation by reason of its presentation of a subject which is too little understood. It is lamentable that the public knows so little of the conditions under which the criminal is made and the way he is handled. The criticism of the method of selection of magistrates is well founded.

Methods of raising money for charitable purposes are reviewed and also what is called the International Spirit of Social Service.

If the book has a fault it is that it is too comprehensive. The qualifications of officers of the civil and local government services can of course be brought under discussion, but they seem to be on the outer rim of the subject of the book. It is interesting to find not only the Civil Service Commission but the Departmental Committee on the Recruitment and Training of Local Government Officers criticised for failing to make recommendations as to the qualifications and training for entrants to the social services. Following this failure of action the Government are strenuously called upon to set up a committee on the subject. The Hadow Committee's Report has been criticised on various grounds—probably neither the Committee nor the critics imagined that there would so soon be a cry for a new inquiry.

So far as the author calls for a co-ordinating authority in the Civil Service she appears to be insufficiently aware of the considerable extent to which there is intercommunication between Departments administering similar services. The Ministry of Health Act, 1919, went a long way towards setting the social services on sound lines, and

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it is at least doubtful whether a co-ordinating body such as is suggested by the author would be more effective than the present system.

The policy of the State in relation to voluntary social services was put into practice considerably more than forty years ago, and does not appear to be sufficiently recognised by the author. That policy, which still to a large extent continues to be operative, is that voluntary effort in services of national importance should be encouraged to function, that in case of need it should be helped financially and that its operation should only be taken over by the State or some public body when it has grown beyond the ability of voluntarism to manage it. Voluntary hospitals in beneficial administration have been active for more than a hundred years, and have become generally so efficient and popular that there is no demand that they shall be nationalised or municipalised. Local authorities were authorised by the Public Health Acts to provide hospitals but they have almost entirely limited the exercise of these powers to the provision of hospitals for infectious diseases, and have left the voluntary hospitals undisturbed. When, in 1921, many voluntary hospitals, following the War period, were in financial straits, the Government were in no way disposed to take them over. Lord Cave's Committee were authorised to disburse a fixed sum of money in the hope, happily now largely realised, that after a time private beneficence would set them on their feet again. Section 13 of the Local Government Act, 1929, again was not promoted for the purpose of enabling the local authorities to take over voluntary hospitals. The purpose of the Legislature was to enable waiting lists at hospitals of any class to be reduced by the utilisation of vacant beds in other hospitals. This should lead to closer consultation between voluntary and local government hospitals, but there is no indication of any desire on either side for absorption or amalgamation. It is certain that any proposal of such a nature would be stoutly opposed, and not on one side only. Similarly, the history of elementary education shows an unwillingness on the part of Parliament to supersede the provision of existing educational services. Even to-day, when education is almost entirely controlled by the State and the local education authorities, the rights of voluntary effort have been preserved. Other instances might be given. They all illustrate the principle that where voluntary effort can and does provide a satisfactory service, though it may not be adequate, the State will not remove or appropriate it, but will be content to supplement its activities.

In seeking to survey the future the author divides the appropriate spheres for voluntary service into those that are experimental, those that call for more individualised work than can be expected from

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public authorities, and those of the watchdog type. It might be added that there are services that are spectacular and appeal to the public, and this is the answer to the author's inquiry why the provision of lighthouses is the concern of the State, while the lifeboat service is left to a voluntary society. The lighthouse keeper performs a meritorious service in circumstances calling for regular and usually monotonous attention—and no one is seized by a desire to subscribe towards his maintenance, while the launching of the lifeboat in the storm touches the hearts and loosens the purse-strings of thousands. The author tells us we are not a logical people (surely we have heard this before) but our practical methods sometimes transcend logic.

The comprehensive survey which the author gives of existing voluntary social services may create a sense of uneasiness. They are so many and so largely unrelated and in many instances imperfect. Yet it may be that chaotic conditions exist on paper much more than in fact. The British people are charitably minded, and deductions from what took place during the War are not really fair argument at the present day. To the orderly mind all charities should be placed under a system of registration and public supervision. Yet there is a danger of pursuing such a policy too far. Too much rigour might tend to dry up the flow of charity. After all it is remarkable how ably on the whole charities are administered. A less drastic procedure than the author desiderates might be adequate to meet present requirements.

The work may be commended to all who are interested in social welfare. It would form an acceptable text-book for group discussions during the coming winter.

There are errors which might be corrected in a second edition. The Thames Flood took place in 1928, not 1927. Of the six categories of voluntary agencies on page 33 only five are set out—one has slipped out unnoticed. Paragraph 2 on page 54 should be corrected and rewritten. On page 112 "now" for "no" gives a meaning apparently not intended. "The Lord Chancellor, the Right Hon. Vincent Sankey" has an unfamiliar look. Possibly "Viscount" was intended. Miss Rathbone, referred to as a personal friend of the author, is differently named in different places. Other errors could be pointed out.

W. E. H.

Glen's Law relating to Unemployment Assistance

By E. BRIGHT ASHFORD, B.A., of the Middle Temple and South-Eastern Circuit, Barrister-at-Law, assisted by ALEXANDER P. L. GLEN, Solicitor of the Supreme Court. With an Introduction by W. D. Bushell, M.A., Barrister-at-Law, formerly one of the General Inspectors of the Ministry of Health. (Law and Local Government Publications Limited.) 5s.

THIS book will be of great use to all those who in their official

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duties are concerned with the assistance of the able-bodied, whether nationally or locally.

For the past one hundred years the relief of the poor has been the responsibility of a local authority, and not until the burden became so heavy in certain industrial areas did the Government accept any partial financial responsibility, apart from its contribution towards the unemployment insurance fund. Now this has been altered by the new Unemployment Act and a book such as we are now reviewing is essential to those who are directly or indirectly concerned with the administration of the Act. This not only includes poor law officials and the staffs of the new Unemployment Assistance Board, the Ministry of Health and the Ministry of Labour, but officials of Education Committees which have duties with regard to the instruction and training of juveniles.

It is not always an easy matter for two writers to collaborate in producing a book, but such an arrangement frequently results in a more useful publication than if a book is by a single writer, and this applies to the volume we are now reviewing. Miss Bright Ashford had the great advantage of collaborating with Mr. Randolph Glen in a previous volume on Public Assistance and she would be the first person to admit that her former association with a man who was renowned as an authority on the Poor Law has contributed largely to her lucid exposition of the Unemployment Act, with which Mr. Alexander P. L. Glen has assisted.

It is usually a mistake to quote too freely in a text book from speeches made in the House of Commons during the passing of a Bill. When any particular provision has to be interpreted by the Courts the sections must be read as they stand, and it does not always follow that the legal construction is similar to the explanation given on the clause when it was before Parliament. This does not, however, apply so forcibly to a statute, such as the Unemployment Act, which is mainly concerned with administration rather than with legal problems likely to lead to litigation. The Act is made more intelligible by the quotations from the speeches of Ministers which are given in the annotations of various sections. These quotations show their attitude to the many points of interest or difficulty that arose during the passing of the Act. References in Hansard to the debates are also given with the same object.

The administration of the Act will be based largely on the Rules and Regulations to be made by the Unemployment Assistance Board. There is nowadays so much competition between publishers that books are frequently published too soon after the passing of any particular Act, and in consequence they become of little value in a few months owing to the subsequent issue of various statutory rules

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and orders. It would of course have been more useful if the rules and orders made by the Unemployment Assistance Board could have been incorporated in this volume, but in a new subject it is essential that a book should be available immediately, and the authors are to be congratulated on producing such a lucid volume in such a short time. The rules and regulations will be issued in a separate volume at a later date.

It was a happy thought to associate Mr. Bushell with this book. Since his retirement from an appointment as a General Inspector of the Ministry of Health, which he held for many years, he has written on a number of Poor Law subjects. An Introduction, such as he has written to this book, is essential for the intelligent consideration of the Act unless the reader is prepared to wade through such a voluminous volume as the Report of the Unemployment Insurance Commission. Although the new administration is to be on a national basis many of the old Poor Law principles must still be followed if the administration is to be sound, and we feel sure, therefore, that the historical *résumé* which Mr. Bushell has so ably written will be found very helpful.

J. M.

International Survey of Social Services

(P. S. King & Son, Ltd., Orchard House, 14, Great Smith Street, Westminster, S.W.1.) 15s.

A BOOK of reference for the social investigator, a guide to the various ways in which nations seek to protect their workers from the effects of ill health or ill luck—such is the International Survey of Social Services, published in November, 1933, at Geneva by the International Labour Office. But this Survey is not a means whereby an accurate and scientific comparison can be established of the value in hard cash of the various forms of social insurance and assistance provided by the nations of the civilised world. It is for that reason that in this Review we have dealt more with the genesis and development of the Survey than with the actual results. These results cover 687 pages.

The Survey had its origin in a request made in 1926 by the British Ministry of Labour to the International Labour Office. Experts suggested that the social charges to be investigated should be classified according to their origin as follows:— (a) physical risks (sickness, invalidity, old age, maternity, accidents, death); (b) economic risks (involuntary unemployment); and (c) assistance of large families.

The International Labour Office decided to take into consideration all social services satisfying the following criteria: (a) that their object should be to cover one of the following risks: industrial accidents,

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occupational diseases, sickness, maternity, invalidity, old age, death and involuntary unemployment; (b) that they should be established on behalf of classes of the population consisting mainly of wage earners and persons of small means working on their own account.

On this basis preliminary studies were carried out by the Office in the case of five countries: Czechoslovakia, France, Germany, Great Britain and Northern Ireland, and Poland. The results were submitted to the committee, and difficulties at once arose as to the scope of the investigation, in particular whether social *assistance*, as well as social *insurance*, should be included. The committee ultimately decided unanimously that the study should cover social assistance, and later the Governing Body decided to include also family allowances and holidays with pay.

In the end the Survey was planned under the following heads: (I) statistics of population; (II) social insurance; (III) social assistance; (IV) housing; (V) family allowances; (VI) holidays with pay.

It is interesting to note that the Office, when submitting the proposals referred to above to the investigating committee, added the following remark: "It has been impossible to express the cost of social services in such forms and by such methods as would illustrate either the extent of the charges or the level of social protection." Some members of the committee considered this remark pessimistic. But it is to the credit of the Office that it issued this *caveat*.

The Governing Body following the suggestion of the committee decided that the Survey should be in the nature of a Year Book of Social Services. However, annual publication has turned out to be impracticable. The analyses of legislation and the statistics refer to the working of social services as they existed in 1930. One remark in the introduction has a touch of grim humour. Some of the Government Departments, it is said, on receipt of the monographs prepared by the Office, instead of checking them, sent them back with a voluminous collection of documents, leaving it to the Office to do the checking and re-arranging of the material so as to make it fit in with the plan of the Survey. We can well understand the feelings both of the Departments and of the Office.

Of the 35 Governments (including five of the States of the U.S.A.), to which the Office sent monographs, the present volume contains the studies of the social services in the following 24 countries: Australia, Belgium, Bulgaria, Canada, Czechoslovakia, Denmark, Finland, France, Germany, Great Britain and Northern Ireland, Hungary, India, Irish Free State, Italy, Japan, Luxemburg, Netherlands, Poland, Rumania, Spain, Sweden, Switzerland, Union of South Africa and Yugoslavia.

Within the limits of this Review it is impossible to refer in detail

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to the systems in the various countries. The Survey itself contains, alas, no summary. Selecting four important aspects of social activity, *i.e.*, Workmen's Compensation, Old Age Pensions (Contributory or Free), Compulsory Health Insurance and Unemployment Insurance, we find that all of the 24 countries have Workmen's Compensation or Insurance against Industrial Accidents; all except two, Finland and British India, have a system of Old Age Pensions either free or contributory; in the realm of Unemployment Insurance 16 countries have no scheme, and Compulsory Health Insurance is not in force in 12 States.

Twenty years ago this International Survey would have presented a very different picture; some of the schemes shown in the Survey are of very recent date. If all civilised States continue in their attempts to protect their workers from the effects of ill health and ill luck, they will, let us hope, inevitably be drawn to the necessity of protecting all their inhabitants from the greatest misfortune of all—war.

VENATOR.

Economic and Social Investigations in Manchester, 1833-1933

A Centenary History of the Manchester Statistical Society. By T. S. ASHTON. (P. S. King, 1934.) 5s. net.

IN 1834 the Statistical Society of London came into being, and having survived and prospered for more than fifty years it assumed its present splendour in 1887 by becoming the Royal Statistical Society. This year, two of its most distinguished Fellows have fittingly recounted the story of its first hundred years in an elegant centenary volume of Annals. It forms an impressive record of achievement.

Statisticians and students of the social sciences have, of course, all been aware that the account which the London society has given of itself could be at least paralleled by Manchester, and that the distinction of seniority belongs to the Manchester Statistical Society; but few of them (unless indeed they belong to the select band of actual members) will have anticipated so substantial a contribution to knowledge, so illustrious a line of membership and so significant an influence as is revealed in Mr. Ashton's Centenary History. The Manchester Statistical Society was the first-fruit of the famous meeting of the British Association in Cambridge in 1833. It was followed in the next year by the Statistical Society of London, and these two alone survive to-day from among those which were formed in these and other centres. Mr. Ashton's delightful book, at once entertaining and informative, will be enjoyed by many who are neither Manchester men nor statisticians. It forms a valuable addition to the history of social endeavour.

Those who founded and developed the Society were business men

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rather than officials, men who regarded their leisure merely as an opportunity to divert their energy from private to public work. The Manchester Statistical Society was to them merely one of their instruments of social investigation, with the object of social reform constantly in their mind; their social surveys and papers on mortality, on public health and public education reflect their main interest. What distinguished their work from that of some of their contemporaries was its lack of sentimentality—a study of their careful investigations would go far towards correcting some still current theories of the social consequences of the industrial revolution. Not unnaturally, a society which included bankers among its active members devoted much of its time also to consideration of monetary policy; and modern students of trade-cycle theory will be grateful to Mr. Ashton for his emphasis on the pioneer work of William Langton, T. H. Williams, John Mills and of course Stanley Jevons in this field. The influence of the work done by members of the Society during the first hundred years of its existence may well be judged from the valuable appendix containing a list of the reports and papers which have been presented since 1833. The Manchester Statistical Society is to be congratulated on both its history and its historian.

A. P.

LAW AND PRACTICE OF LOCAL GOVERNMENT

An Introduction to the Law of Local Government and Administration

By Sir WILLIAM E. HART and W. O. HART. (Butterworth & Co.) 21s. net.

THIS book deals with a subject which has often been handled before, but it has a character of its own. It combines principle and detail and maintains a just balance between them. This character its authors are well qualified to supply. Sir William Hart knows from his experience as a Town Clerk that when the local government officer turns to a book to inform himself or refresh his memory on some matter with which he has to deal, he wishes to know with precision, and not merely in a general way, what is the law of the matter and what are the salient points to bear in mind. Mr. W. O. Hart knows as a University lecturer that if his students are to understand a subject and retain it in their minds, he must explain the principles which underlie the working details, and moreover that, if he wants to interest them, he will be wise to give them some history showing how the present position was reached. This is well worth doing even at the cost of some space. There are books intended for students in which the various details are as little co-ordinated as the separate

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items in a cross-word puzzle. Such books are as useless as they are tedious. The present work manages to bring the details into their proper places.

Accordingly, we find the causes given for the alteration of areas and the creation of new authorities before we pass to the complicated provisions (unnecessarily complicated, the reader will think) relating to charters, electoral divisions, and wards. Similarly, a simple account is given of the local government franchise and this is then elaborated. Characteristic chapters, which will interest members of the Institute of Public Administration, are those on delegated legislation and administrative law. There is a very good account, considering its brevity, of local government in London.

In some respects, to use an expression used by the authors (p. 119) matters are put "rather too dogmatically to be completely true." It is stating the point too broadly to say (p. 114) that the control of Ministers over their Departments is necessarily slight. On p. 428 it is said that the transformation of the Local Government Board into the Ministry of Health "signified that the future policy of the Department should be primarily based on considerations of health." But in fact, although there was undoubtedly a bias in that direction, the change was actually part of a new scheme for organizing the departments of Government according to subject matter, instead of (in part) according to the persons or bodies whose activities they supervised. This operation in the case of the Ministry of Health was not completed: it was left with functions which, to be true to the theory, it ought to have shed. It may be doubted whether the general argument on page 1 whereby local government is derived from the duty of the State to maintain internal peace accords with the actual facts of history and human nature, though Herbert Spencer would have agreed with it.

On points of detail: the Rules Publication Act, 1893, applies to the statutory rules which are not liable to be annulled by Parliament at all, as well as to those (see p. 301) which are liable to be annulled after coming into effect; and the exemption for rules made by the Minister of Health only applies to such functions of the Minister as were transferred directly from the Local Government Board: it does not apply to functions of the Minister under statutes passed after 1919, even though they relate to matters of local government or public health. The returns made to the Minister with regard to loans, mentioned on pages 167 and 325, do not show the expenditure of the borrowed money but the provision made for repaying it.

But these are small points and in the main the book attains a high level of accuracy, looking to the amount of detail brought into it. It deserves to be, and probably will be, largely used. E. H. R.

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The Law relating to Local Authorities

By W. IVOR JENNINGS. clvi + 991 pp. (Chas. Knight & Co., Ltd., London.) 45s.

THE Local Government Act of 1933 is the first part of a much-needed consolidation of the law of local government. Consolidation is a big job because of the numerous Acts, the variations in different Acts, seemingly on no settled principle, and the need of modernising provisions without big changes inconsistent with the primary object of consolidation. The Government wisely appointed a Committee for the task, with the late Lord Chelmsford as chairman, and the Act of 1933 resulted as a first harvest. The very size of the present scheme indicates the wide scope of the Act. In the present volume, the Act is given section by section, with notes, which no doubt will later need much expansion. The volume is prefaced by a long and interesting introduction dealing with such matters as Local Authorities and the law, Corporations, *Ultra Vires* and Proceedings against Local Authorities. It is important for administrators to know where the new law modifies the old, and helpful "Tables of Comparisons" are given, indicating the source from which provisions in the Act of 1933 have been taken and whether there has been any substantive amendment of the old law. Provisions on related matters contained in a number of old laws still in force are reproduced, with some notes.

I. G. G.

The Rating and Valuation Acts, 1925 to 1932

By G. P. WARNER TERRY. civ and 1,308 pp. (London: Charles Knight & Co., 1934.) £3 3s.

MR. WARNER TERRY'S books on the Rating and Valuation Acts of 1925 and 1928 have been much used by local financial officers. The former reached a third edition within a few months of publication. He has now combined them in the present book and brought them up to date. Statutory changes, a spate of Rules and Orders, and a number of decisions have made the volume bulky and expensive. Nevertheless it is likely to be received with as much favour as its predecessors. The Local Government Act, 1933, was passed after the main body of the book was written, but an addendum enables the reader to make the necessary alterations after the 1st June, when the Act came into force.

The book is made up of (1) a long Introduction; (2) the Rating and Valuation Acts, fully annotated; (3) other statutes, fully annotated, which are necessary to an understanding of the Rating and Valuation Acts; (4) Rating and Valuation law in London; (5) the Representations of the Central Valuation Committee; (6) a selection

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of the most important of the Orders and Circulars, together with a complete list of such Orders, &c., and (7) a treatise on the law and practice relating to the recovery of Rates.

There are the usual tables of statutes and cases, and a good index. The book contains some material which is not to be found conveniently printed elsewhere and should be one of the standard works on its subject.

W. I. J.

The Housewife and the Town Hall

By MRS. H. A. L. FISHER. 113 pages. (Ivor Nicholson & Watson.) 2s. 6d.

ONE of the ways in which our system of local government is most lacking is attributable to a failure on the part of those responsible to demonstrate to the public what it is and what it does. "Public Relations" as a serious study for the administrator is only just beginning to be recognised in this country. Consequently we have to face the lamentable fact that, excellent as some of the results of local government may be, the ordinary citizen knows very little about them, and exhibits only rarely any very considerable pride in his local institutions—a fact which is reflected in the statistics of local elections. For this reason books like Mrs. Fisher's are to be warmly welcomed. It is not an easy task that they seek to perform, for it is as yet hardly begun. But one hopes that in the future it will become easier, for the popular projection of local government, successfully accomplished, cannot but have the effect of persuading the system itself towards a greater simplicity.

Mrs. Fisher writes for a public which it is plain that she knows well—the members of the Women's Institutes. That she is able to do this is one of the most encouraging signs of the times, for the giving of practical advice concerning the inescapably utilitarian details of local government implies some association of people whose willingness to receive it has already been stimulated. And this the two sister organizations—the Women's Institutes and the Townswomen's Guilds—are endeavouring to bring about.

The book (particularly in the Chapters on "The Baby" and "Schools and School Children") is an admirable mixture of civics and practical advice. Its main defects spring from the fact that it tries to do too much; at times one feels that the whole province of government is under consideration. Perhaps that must be so when it is written within the walls of an Oxford College! There should have been less emphasis on theory and less space devoted to the workings of the central government, and much more about how to get the drains tested, what to do if you think the milk is watered, if

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the house next door is overcrowded, or if you are unfortunate enough not to be able to pay your rates. And the use to which Mrs. Fisher hopes her book will be put will surely be limited by the lack of both bibliography and index. The style suffers from being too direct a transcript of B.B.C. talks, but the matter is admirably free from irrelevant details such as the dates of Acts of Parliament, or their sections. It is probably impossible to avoid giving the impression that all is for the best in the best of all local government systems in such a simple handling of complicated matters, but there are one or two statements which could have been avoided, whose presence in the book gives us rather a shock—such as that Guardians were "people who were determined to do everything possible to help those for whom they were responsible."

FIAT LUX.

Survey of Public Health Nursing

By the National Organisation for Public Health Nursing (Katharine Tucker, General Director; Hortense Hilbert, Assistant Director for the Survey). xvi and 262 pp. (New York: The Commonwealth Fund; London: Humphrey Milford.) 1934. 8s. 6d. net.

NURSING services, like many other organisations which have passed from infancy into a vigorous adult life, have shown different phases in their development. From an organisation which was concerned solely with the care of the sick there grew numerous off-shoots which tended to become larger than the parent and which differed much in their purposes and the methods by which they were administered. A further stage in the growth of these services has been an attempt at co-ordination of the different members into something approximating to a coherent whole.

In the United States of America it is evidently felt that the process of co-ordination can be carried still further, and the present volume is the Report of a survey made by the National Organisation for Public Health Nursing. The report deals with practically every aspect of the various services. The survey was carried out by a special staff, and the material consisted of the nursing services in twenty-eight cities, towns and counties in the United States. In these communities there were sixty-eight official and unofficial nursing agencies, and fifty-seven of these could be classified into three groups:—(a) Public Health Nursing Associations; (b) Departments of Health; and (c) Boards of Education. The members of the Public Health Nursing Associations deal with the sick in their homes, and this service is analogous to those branches of public nursing which in this country are not administered by official bodies such as health departments and education authorities. Consequently, critical reports of the work of

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these members of the nursing profession are not readily available in Britain, and the present report gives suggestive criticisms which might possibly be applied on this side of the Atlantic. From a perusal of the report it is evident that in the United States the number of different agencies which employ nurses is large. Though at least eight different agencies come within the scope of this review, the emphasis is placed almost entirely on the work of the three groups noted above.

The recommendations of the Committee are set out in full and are rather difficult to summarise, since they are applied to conditions which are, in many instances, peculiar to American methods. It is emphasised that those boards which administer the work of nurses should not consist entirely of women. Much space is given to a discussion of the means by which nurses are prepared for their special types of work, and it would appear that the methods are still so diverse as to constitute a major problem. From an analysis of the efficiency of nurses which was made—usually on the four-fold basis of general relations with their patients, actual nursing technique, ability to give instruction, and general adequacy of their work—it was shown that those nurses who had received adequate theoretical instruction, by means of graduate courses or otherwise, were more satisfactory than the older type of nurse who had learned mainly from experience. An investigation of the general efficiency of the various services showed that those services which dealt actually with the sick patient were more efficient than those—such as the school nursing service—which dealt mainly with preventive matters.

The Report is a lengthy one and contains information which is probably not available elsewhere. As a work of reference it will be found useful by those who deal with the administration of the nursing services. As a book for perusal, however, it is not quite so successful, since the data which were collected are presented with such detail that the reading is heavy, and in the intricacies of the analysis the ultimate goal tends to be obscured. It is admitted in the Report that many of the conclusions which emerged from the Survey were already known, and the reader may perhaps be pardoned for wondering whether the more intensive studies along these lines, which are called for by the Committee, would lead to results of far-reaching importance.

E. A. U.

Two Handbooks

The Municipal Year Book, 1934. (Chicago: International City Managers' Association.)

City of Birmingham Handbook, 1934. (Birmingham: Published for the Corporation by the City of Birmingham Information Bureau.)

THE former of these is the first issue of an authoritative year book

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for American cities. It has come into being in a year of depression, in which (as stated by one of the writers) one state, several cities, and hundreds of smaller municipalities have defaulted; and the first thing to notice about it is the high courage and enterprise of its outlook. The purpose of the book, as stated on its title page, is to give "an authoritative resumé of activities and statistical data of American cities"; but in fact the most noticeable, and to an Englishman the most interesting, part of the book is not covered by this description, but consists of the introductory articles, in which the broad features of the present situation are looked at. Naturally the financial side is much in evidence; the balancing of budgets and the tapping of new sources of revenue are matters of concern, but the writers are so far from being reduced to helplessness by their difficulties that they look at the new features of the situation—and especially at the close relation with the central Government at Washington into which the cities have for the first time in their history been brought by the administration of relief works—as matters from which new possibilities may be won.

It may be in fact that the corner has been turned. Mr. Howard P. Jones, after mentioning that in the spring of 1933 taxpayers' organisations were formed by the hundreds to cut the cost of government, goes on to say: "There has been a very definite transformation in citizen psychology in most sections of the country during the last six months. From 'How can we cut the cost of local government?' the question has been turned to 'How can we keep local government running?'"

Another writer points out (what has been noticed also in England) that the difficulties of financing local government increase with the size of the city and grow at more than a proportionate rate. Many of the services may be performed more cheaply per unit of cost, but a higher standard of performance is demanded, and moreover there are new functions of government which the smaller authorities do not undertake at all. "The growth in size brings new demands for service. Such things as medical clinics, milk inspection, family welfare work, the maintenance of hospitals, colleges, universities, or art museums are not thought of in the towns or rural centres."

The Birmingham Handbook would serve as a comment on this. It is an amazing picture of what a modern city can undertake, whether regard is had to the variety or to the extent of its activities. Not that the Birmingham standard is a usual standard or has been achieved all at once. "At no time in its history," says the Handbook with pardonable pride, "has Birmingham so nearly approached the modern conception of a perfect city." This history of all this is set out in the Handbook; and (although democracy is apt to be forgetful

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of its predecessors) tribute is paid there to the Town Commissioners who built the Town Hall and purchased the market rights of the borough in the early part of the nineteenth century as well as to the achievements of more modern times. The book is an interesting one and not a mere catalogue.

E. H. R.

LOCAL GOVERNMENT IN AMERICA

Law and Practice of Municipal Home Rule, 1916-1930

By JOSEPH D. MCGOLDRICK, Assistant Professor of Government in Columbia University. xiv and 431 pp. (New York: Columbia University Press. London: Humphrey Milford, 1933.) 24s. 6d.

"THE government of our cities, to put the matter mildly, has never been the source of much pride for Americans. The conduct of municipal business has almost universally been inept and inefficient, and at times it has sunk to humiliating depths of corruption. At its best it has rarely achieved more than an unimaginative, inert routine; at its worst it has been unspeakable, almost incredible."

The movement for "home rule"—that is, the freedom of municipalities to develop as they pleased, without having to go to State legislature for an amendment of their constitutions or the extension of their powers—was one of the remedies for this state of affairs. For State control has meant, not the control of the legislature, but control by the representative from the city in the legislature, or, in the case of a larger city, control by the "machine" that put the politicians into the legislature and on the city council. Thus, the home rule movement is "part of the broader movement to liberate cities from organised corruption, and restore control to the so-called, or self-called, good citizens."

In 1916 Professor McBain published what is now the standard work on *The Law and Practice of Municipal Home Rule*. Professor McGoldrick has written his book as a supplement to Professor McBain's work. He takes the sixteen states in which constitutional provisions establish home rule for some or all of the cities, and examines the judicial interpretations and the practices which have arisen. Two final chapters discuss the relation of Home Rule Cities to the State, and the scope of "Municipal Affairs." The Appendix gives the various constitutional provisions.

Comparisons between home rule in the American States and in England would be difficult. The constitutions of English towns are laid down in general legislation; their powers are rigidly limited by statute. If, however, the recurring demand for an enabling

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Bill were met, this book would give some help in indicating the problems of interpretation that would be met. It is a worthy successor to Professor McBain's.

W. I. J.

Local Government in the United States: a Challenge and an Opportunity

By MURRAY SEASONGOOD. 145 pp. (Harvard University Press, Cambridge, Mass.) \$1.50.

MURRAY SEASONGOOD is one of the outstanding municipal personalities in the United States. He was one of the small group whose initiative, courage and pertinacity transformed Cincinnati from one of the worst governed to one of the best governed of cities. He describes how the marvellous transformation was brought about and improvements effected, and that with reduced city tax rate; also how reforms have been compassed in Hamilton County, despite an antiquated form of government which plays into the hands of those seeking plunder. He considers the hindrances to good local government in the United States and how they may be overcome, the hindrances including the foreign-born and Negro elements, the American party system and its interdependence with local gangs, the shortcomings of the Press, unfriendly State legislatures and overlapping governments. "... the most hopeful indication of improved local government lies in the spread of the merit system, although ... in thirty-nine States, 2,500 cities ... , practically all the counties ... and thousands of towns and villages public employees are still selected by victorious politicians" Women play a great part in maintaining good government in Cincinnati, and in the author's view "women in politics offer new hope to their faltering male associates." This little book enables the reader in small compass to obtain a good idea of the depths to which local government can fall in the States and the heights to which it may be carried with courage, ability and persistence, and is itself an inspiration to achieve these heights.

I. G. G.

Charter Revision for the City of New York

A Plan prepared by the Division of Research in Public Administration, Department of Government, Washington Square College, New York University. (Published by New York University.)

"THE Division of Public Administration of the Department of Government of the Washington Square College was organised last year for the purpose of focussing expert attention on the major administrative problems of the metropolitan New York area"; so says the chairman of the committee which considered this charter

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revision, and the quotation indicates the gulf which separates some American universities from those of this country. At present the principal organs of New York government are a Mayor, elected at large; a Board of Estimate and Apportionment, which largely controls finance and includes the President of the Board of Aldermen, the Comptroller (an elected officer) and the five Borough Presidents (also elected within their respective Boroughs, five in all; Borough functions are few); and a Board of 65 Aldermen, similar to our councillors but not with much power. There are several Boards for particular purposes, some elected, some appointed, and a large number of elected judicial and legal officers. A good old jungle it all appears to the English mind, accustomed to at any rate some measure of simplicity in government. The new charter which is suggested provides for a Council of 25 to 35 members, to be elected by proportional representation with each Borough as an electoral division; of a Mayor, who would be the administrative head and would be elected by preferential ballot; and of Borough Councils, not to be separately elected but to be comprised of the respective Borough members on the City Council; all other officers and Boards to be appointive. Proposals are also made for reforming the local judicial system, now in a "condition closely approaching chaos": for instance, some judges are elected, some appointed by the State Governor, some by the Mayor, some by judges of higher Courts. The report sets out other suggested reforms, including those of administrative departments. For education, a Board of 7 members is recommended, 5 appointed by the Mayor, 2 by the teachers, the Board to deal with policy, administration being left to the Superintendent. Incidentally, stress is laid on reporting to the public, including the use of the municipal radio.

The report is a good piece of work. The government of New York would be very much simplified and should be materially improved if the recommendations were carried out. The United States is fertile of constitutions and charters—the spirit of *Sièyes* must find there a congenial home. The chances of effecting reform are difficult to assess, New York has a tough hide, but with a reforming and vigorous Mayor and the prevailing spirit of the "New Deal" they seem rosier than for many years; but time lag may still beat the reformers.

I. G. G.

THE LAW AND THE CONSTITUTION

The Law and Constitution

By W. IVOR JENNINGS. 263 pp. (University of London Press, Ltd.) 6s. 6d. net.

A BOOK well worth reading. It clarifies notions about the State and

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its institutions, and in particular removes misconceptions due to too trustful an acceptance of Dicey. At the same time we cannot but feel that the book might have been better still had the author not hung so many of his sermons on texts from Dicey, useful though this may be to the young student. Some will consider also that there is much more to Dicey than might be thought from the author's criticisms, justified though they may be. Mr. Jennings brings out, what is obvious to those who think, that legally government in these countries is at bottom as autocratic as in the most autocratic of régimes, in the sense that Parliament is supreme, and that the real safeguards are in the traditions and sentiments of the people. This, of course, is essentially true of any community. The fundamentals of politics lie in social psychology.

The scope of the volume is indicated by saying that it deals, among other matters, with the meaning and significance of the "unwritten constitution," the reign of law, the nature of constitutional conventions, the supremacy of Parliament, the place of the civil and local government services, administrative law and the relation of the Courts to Parliament and administrative authorities, incidentally mildly slaying again, by the way, the already much slain Montesquieu. It is suggested that the author goes too far in saying that there is no difference between the judicial and the administrative function in essence; in theory, a clear distinction can be drawn, though in practice certain kinds of strictly judicial functions may more advantageously be exercised by an authority which is primarily administrative. Mr. Jennings also makes some interesting comments on the relation of the Imperial Parliament to those of the Dominions.

The author emphasises, what is apt to be neglected in learned expositions of the law and constitution, that the bases of government and of administration are social and psychological. It is obviously true that "law is based on general acquiescence not upon force," but he seems to ride this horse a little too hard and, typical of the laudable post-war reaction against force in many quarters, to understate the part played also by force, or the power to resort to force. Again, many will not agree that Parliament "never passes any laws which any substantial section of the population violently dislikes"; indeed many will violently dissent (unless "substantial" be stretched far beyond its due warrant), although few will disagree with the latter statement that "Parliament is the legal sovereign and the electors the political sovereign." It is a little unfortunate that the book should end with a statement which to many will appear to be an unfortunate and misleading half-truth—that "'The rule of law' was always a political doctrine; and it had no validity after the Constitution rejected

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the concept of public order and developed instead the concept of public service."

Many other interesting points are made by Mr. Jennings on which it is difficult to resist the temptation to comment, which is in itself a tribute to a volume which should prove of high value to the student.

N.

The Parliamentary Powers of English Government Departments

By JOHN WILLIS. 214 pp. (Cambridge: Harvard University Press. London: Humphrey Milford, 1933.) 16s. 6d. net.

THE Lord Chief Justice has inspired some valuable research. Mr. Willis's study of the legislative powers of Ministers was undertaken on account of *The New Despotism*, and it succeeds in controverting the Lord Chief Justice's main conclusions in this field. Lord Hewart, he says, "knows more of law in action than law in books." Mr. Willis has gone to the books and, above all, to the books in which the statutes are to be found. He has discovered 22 examples of the Henry VIII clause and 150 examples of the "as if enacted in this Act" clause. He explains why these and other provisions were inserted; and they are not the explanations given by the Lord Chief Justice.

But the author of this book is far more than a collector of relevant facts. Anyone who works at Harvard under Professor Frankfurter must realise that law is not something which is found in books. Mr. Willis has made the most of his opportunities, and has developed a strong instinct for seeing into the realities of constitutional organisation and judicial administration. From the chaos of judicial opinion that is made evident by an examination of the case law on delegated legislation he deduces that "in matters of government, where prejudices are strong and passions easily aroused, the deciding factor must inevitably be the personal preferences of the Court before whom the case comes." On the other hand, he finds in the House of Lords "a strong sense of the realities." These two quotations indicate the author's insight. They could be matched by many more. Also, he possesses a remarkable ability for expression and a fine sense of humour.

The main body of the work was written before the publication of the Donoughmore Report. His conclusions are in principle the same as those of the Report, though he had to provide the material for himself and could not use the two volumes of Appendices which have since been produced. A postscript discusses the Report itself, and the author's more considered views may be found in an article

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in the *Iowa Law Review* for January, 1933. There is a very useful Appendix, giving especially a classified list of statutory provisions.

W. I. J.

The Law and Organisation of the British Civil Service

By N. E. MUSTOE, M.A., LL.B. Pp. 199. (Pitman.) 7s. 6d.

IN this volume the author, who is both a Barrister and a Civil Servant, has set out to bring together in an orderly and concise fashion the legal and other rules relating to the Civil Service, which, as he states, are dispersed among a large number of statutes, Orders in Council, Treasury Minutes and Circulars and other documents. In achieving his object, he has produced a very readable treatise, prefacing it with a historical survey. It will be of general interest to civil servants and to Establishment Officers in particular. An appendix sets out scales of salary and, although no indication is given of the bonus rate for each, yet this is now of little moment, as, since the work was published, the consolidation of bonus with salary took place as from the 1st July, 1934, details of which are readily ascertainable from official quarters.

The answer to the question "Who is a Civil Servant?" is shown to be one of some difficulty, to be decided on the facts of each particular case. The author's definition, so far as one is possible, is that the Civil Service is a body of officials in the service of the Crown, who discharge duties belonging to the exercise of the King's executive powers, but not being members of His Majesty's naval, military or air forces, and not being the holders of political office. As the author remarks, however, it is impossible to say how far down the scale there is a limit, if at all, below which none are civil servants. Judges are clearly outside the definition and, though the author does not comment on the fact, it will be remembered that the constitutional doctrine that the Judges are not the servants of the Crown was much in evidence at the time criticisms were advanced as to the method adopted when the economy cuts were applied to the Judges in 1931.

It is of interest to be reminded that the embargo on the entry of conscientious objectors into the Civil Service was raised in 1929, that no aliens may be civil servants, that civil servants, unlike local government officers, cannot sue for their salary, that it is for civil servants to supply information as to extra-official qualifications, such as degrees, diplomas, &c., for inclusion in the Annual Reports which have to be considered by the Promotions Boards, and that the Saturday half-holiday is, theoretically in any event, not of general application. The legal view that their pay is not to be considered as a reward for services, but to enable them to perform their duties may not be shared by the general body of civil servants and from the

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practical aspect it is not surprising that this is not put forward as an argument in connection with the consideration of salary adjustments.

Departmental rules are of course outside the scope of the work. These rules vary on such minor matters as whether Saturday counts as a whole or half-day for leave purposes and whether Sunday counts as a day's absence in the calculation of sick leave. It seems doubtful whether there is any need for these variations or whether it would not be more equitable to have rules on these and other such like matters applicable throughout the Service.

Two almost identical paragraphs appear on pages 131 and 149 as to the superannuation payable on retirement due to abolition of office.

The author reminds us that a civil servant must be discreetly reticent in discussing public affairs, particularly those relating to his own department, a rule which, on occasion, has robbed certain papers read before the Institute and the discussions thereon of some of their value and frankness.

N. V. R.

LAW AND CONSTITUTIONAL PRACTICE IN AMERICA

Judicial Control of the Federal Trade Commission and the Interstate Commerce Commission, 1920-1930

By CARL MCFARLAND. (Harvard University Press, Cambridge, Massachusetts.) (London: Humphrey Milford, Oxford University Press.) Pp. 188. \$3.50.

THIS work deals with the problem of judicial control over administrative boards and commissions and is a comparative study of the relations of the courts from 1920 to 1930 to the Federal Trade Commission and the Interstate Commerce Commission, which are the two independently constituted commissions of the United States of America charged with the regulation of trade and transportation.

The author states in his introduction that the theory which treats the justice dispensed by courts and the social control exercised by administrative tribunals as parts of a single system of law in which the courts wield ultimate authority is older in American jurisprudence than the alternative theory which recognizes a dual system of public administration of justice and seeks a division of function between courts and administrative agencies so that some administrative determinations are final while others are subject to judicial supervision. He states that "during the last half-century administrative justice has been pressing for recognition, and in consequence there has been a development and readjustment of theory to admit the dual system

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which has been the concomitant of the change from individualistic political philosophy toward social legislation and public control."

Both commissions appear to have had an uphill task. The principle of the separation of powers into legislative, judicial and executive has been a primary obstacle. The Interstate Commerce Commission was created by an Act of 1887, and in 1889 was judicially held not to be invested with any authority to enforce its decision or award and invested only with administrative powers of supervision which fall far short of making the board a court, or its action judicial in the proper sense of the term. Since that date, however, the orders of the commission have been made effective without judicial action. Nevertheless, nearly twenty years elapsed before any real discretion in the commission was recognized. Now the commission is recognized as a delegated authority with which the courts ordinarily do not interfere.

The Federal Trade Commission, on the other hand, has been restricted to the exercise of only preliminary, investigative power and the federal courts have dealt freely with its orders.

The demand that administrative agencies should be held within the scope of the authority granted to them by the legislature and that those limits should not be left for the agencies themselves to determine appears to have been as vocal in America as in this country and with greater cause; for in England there is nothing in the way of administrative justice to compare with the federal agency created by the Interstate Commerce Commission.

There is stated to be no formula which separates the work of the courts from that of the commissions, nor which explains the different judicial treatment of the two administrative bodies. This work shows to what effect the courts have exercised their power over the two commissions.

One of the popular reasons for the establishment of the Federal Trade Commission is stated to be that those who give their whole time to the problem, and thereby become specialists, should make determinations which should be given effect through the courts. A review of the extent to which judicial control has been exercised shows, however, that the judges "substitute their own opinions for those of the commissioners or, even when sustaining the commission, hold themselves in readiness to reverse or modify orders with which they do not agree." The Federal Trade Commission Act declares that "unfair methods of competition" in commerce are unlawful. The words quoted are not defined by the Act and it has been held that it is for the courts, and not the commission, ultimately to determine as a matter of law what they include. The author states that under the broad prohibition of "unfair methods of competition" it is diffi-

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cult to determine in various cases whether the courts are interpreting the Act or reviewing the sufficiency of the evidence to constitute an accepted offence, and in conclusion states that if Congress were persuaded to overhaul the statutes, the courts would be inclined to give the administrative agency a more adequate measure of authority.

In the case of the Interstate Commerce Commission judicial control appears in some instances to have bordered upon judicial interference and there has been pressure also from government departments. Nevertheless, the commission appears to stand high in popular estimation and is regarded as being the foremost example of administrative justice in the United States. Its work is of considerable popular and professional interest and, despite criticism, it is an established and authoritative institution.

A final chapter contains a comparison of the achievements of the two commissions, from which it is clear that the commerce commission has had considerably more success. While its orders are subject to be set aside for excess of authority or disregard or insufficiency of evidence, the trade commission's orders are subject to a judicial reconsideration on the record taken before the commissioners. In making any comparison, it has to be borne in mind that, while the commerce commission deals with public utilities, *e.g.*, railways, the trade commission has a more difficult task, dealing as it does with the mercantile world. The author states that there has been a lack of tact, harmony and statesmanship in the trade commission and regards further legislation as necessary to make the system of administrative regulation of trade fully effective.

The work deals with a subject which has no real comparison with any institutions of this country, but nevertheless provides an interesting field of study for students of administrative law and comparative public administration.

N. V. R.

ADMINISTRATIVE ORGANISATION

Organisation as a Technical Problem

By L. URWICK. (International Management Institute.)

THIS booklet contains a paper read before the British Association in September, 1933, complete with an *apparatus criticus* of quotations and diagrams. It amplifies, and in many respects clarifies, Mr. Urwick's theory of the application to industry of the military type of organisation—a theory familiar to readers of his "Management of To-morrow." In particular it brings out the double meaning of the word "staff," which has led to some confusion: "the wider sense implies all specialized troops and services; the narrower sense, some-

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times qualified as 'general staff,' implies selected officers who assist the commander in carrying out his work of command." The executive authority of the staff in the narrower sense of the word is simply the reflexion of their chief's; their prime functions are to co-ordinate and to advise.

The administration of the British Government is very justly singled out as an example of thoroughly bad co-ordination. And Mr. Urwick makes a justified protest against the view that provided you get the right men in the right places, organization can be left to look after itself.

In his previous works the author has been fair—and more than fair—in his references to the Civil Service. He lapses from his own standard when he writes in this booklet: "Any suggestion of change of direction meets the insuperable objection 'The Civil Service wouldn't like it.'"

The booklet contains excellent material, which by expansion could be made more readable. One looks forward to the time when it will be available in a more permanent, legible and accessible form.

W. D. S.

Secretarial Practice of Public Service Companies

By E. G. JANES, A.C.I.S. 278 pp. (Sir Isaac Pitman & Sons Ltd.) 10s. 6d.

IN this volume Mr. Janes endeavours, with considerable success, to bring together the principal subjects which are encountered in the secretarial office of a public utility company. He deals with, among other things, such matters as share, stock and debenture capital, meetings, minutes and dividends, making reference whenever necessary to the Companies Clauses Acts and the legal decisions thereon. Private Bill and Provisional Order procedure is also described and the book is rounded off by a chapter on statistics and three appendices containing Forms, Statutes and Stock Exchange Rules respectively.

All this detailed information is given clearly and concisely, but in this case conciseness has its disadvantages. Public utility companies cover a wide variety of services, *e.g.*, gas, harbours and tramways and each service has its own peculiarities. Even for companies providing the same service there exist statutory differences arising chiefly from the different opposition encountered or the different dates at which the companies obtained their powers. Mr. Janes does not attempt to deal with these differences—and indeed it is both impossible and unnecessary to do so in a general book—but at least more stress might have been laid upon the necessity of the secretary

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being conversant with the statutory provisions relating peculiarly to his own company. In this connection also the book would have gained in usefulness to both the secretary and the student if a select bibliography of the chief legal works on each type of service had been added.

D. N. C.

ECONOMIC THEORY

The Theory of Wages

By PAUL H. DOUGLAS. (Macmillan.) 20s. net.

OUT of a winning international prize essay of 1926-27 on the title-subject, Professor Douglas has developed with the labour of the intervening years an elaborate inductive study of the basic statistics of production and population in America and some other countries during the first quarter of the 20th century; and, as stated in the author's preface, these statistics treated from the point of view of wages-theory, rather than the theory of wages itself, form the subject matter of this book.

The author's aim of so handling the available facts as to wed them with classical general economic theory, will win universal sympathy; and it would be churlish to quarrel either with a certain discursiveness in the statement of the parts of the theory to be applied or with the simplifications and omissions which clearly had to be made. The former is almost inherent in the broad historical treatment appropriate to the subject, and the latter are never allowed to mislead the reader by receding into the background. Professor Douglas is most careful to emphasise the limitations involved, for example, in the inductive formulæ which he uses.

The book contains much interesting material, is fully documented throughout, and includes what would appear to be an almost exhaustive bibliography.

H. T.

Economic Essays in Honour of Gustav Cassel

20th October, 1933. 8vo., pp. 720. (London: Allen & Unwin. 1933.) 20s. net.

ALIKE for the breadth of his views and the singular unity of his system Professor Cassel has secured an outstanding position in contemporary economic science. All students of modern economic theory will welcome this imposing *Festschrift* as a well-deserved testimony to the influence which he has exercised on the development of economic thought.

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Fifty economists, among whom are some of the best-known names in modern economic literature, have contributed essays in his honour. The subjects range over almost the whole field of general economics and there are papers in English, German, French and Italian. As may be expected they reflect the prominence which current discussions give to problems of currency banking, the price level, economic stabilization and the trade cycle.

Comment in detail upon each of the papers will not be expected here. Not the least satisfaction which it may be hoped Professor Cassel will derive from this tribute will be the interest and high quality of the work of the Scandinavian contributors (*inter alia* J. Akerman, E. Heckscher, E. Lindahl, G. Myrdal, B. Ohlin, J. Pederesen, F. Zeuthen). The volume, in honouring Professor Cassel, affords in this way some recognition also to the eminent contribution which Sweden has made and is making to the development of economic thought. American contributors include Professors J. Angell ("Monetary Control and General Business Stabilization"), J. M. Clark, who argues for a composite commodity currency, Paul H. Douglas, who summarizes the argument of his new "Theory of Wages," Frank H. Knight, whose paper on "Capitalistic Production, Time and the Rate of Return," is one of outstanding interest, and Professor E. R. A. Seligman. Professor J. H. Hollander undertakes to expound "American Public Opinion on War Debts" in an essay whose relevance both in its tone and its subject matter to a collection such as this, is, to say the least, not very apparent.

MM. Landry and Simiand are among the well-known writers who lend distinction to the contributions from France.

Sir Josiah Stamp and Professors Gregory and D. H. Macgregor represent England. Professor Gregory, in a philosophical disquisition on "Economic Theory and Human Liberty," presents a closely reasoned argument on fundamental questions of a type in which he excels. Sir Josiah Stamp's five pages are devoted to seven special weaknesses which he suggests that recent experience has revealed in the London money market.

F. R. COWELL.

Monopoly: A History and Theory

By VERNON A. MUND, Ph.D. Princeton University Press. pp. 164. (London: Humphrey Milford, 1933.) 13s. 6d. net.

THIS short work by an Assistant Professor of Economics at the University of Washington (Seattle) will no doubt prove a useful introduction for examination students and others wishing to gain a general idea of the development of economic thought on the subject.

In the first 90 pages the author sketches the history of monopoly

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from the dawn of civilization until the publication of the "Masquerade of Monopoly" by Professor Fetter in 1931, a book which he considers to have marked a new epoch in monopoly theory. Clearly it is impossible to do more than outline the subject in so short a space and in these circumstances, Dr. Mund might have strengthened his bibliography considerably, *e.g.*, by the inclusion of studies such as Dr. W. R. Scott's monumental work on Joint Stock Companies, to mention only one outstanding work.

The author defines monopoly as the negation of competition on either side of the exchange process and makes much of the fact that the *market aspect* of monopoly is "fundamental" and "significant." A little more thought on this subject should have indicated to him that this is no very profound discovery. His exposition would have gained in clarity if he had rather insisted upon the fundamental importance of the control of supply on the one hand and the elasticity of demand on the other. Through not making sufficient use of this simple guiding idea, he develops distinctions between true and formal monopoly, absolute and limited monopoly power which are unnecessarily embarrassing in a brief review of the subject.

The concluding section of the work offers little guidance for a practical method of controlling monopoly assuming, as the author evidently does, that control is necessary. He wishes to steer a middle course between the "seductive wiles of visionaries" and the "importunities of selfish business men," and apparently considers that Professor Fetter's remedy "the requirement and enforcement of publicity for all prices in Inter-State commerce" would succeed in abolishing many of the evils perpetrated by monopolists in the U.S.A. through price discrimination.

In view of the reliance placed by the (British) Committee on Trusts established by the Ministry of Reconstruction, in their report (Cd. 9236/1919) upon the investigating machinery of the Federal Trade Commission, and their advocacy of the grant of powers similar to those possessed by the Commission, to the Board of Trade, English readers will be disappointed by Professor Mund's failure to review the Commission's activities in their bearing on his subject. It is an omission, it may be added, which is the more unfortunate in view of the rapidly developing system of codes for American industry and of the demands which have arisen in consequence for a greater measure of protection for the consumer. It would undoubtedly be a heavy task but clearly one of the utmost importance and it is to be hoped that he will be able to enlarge his work to incorporate such a study, should a second edition be required, for he writes clearly and his work has considerable merit.

F. R. COWELL.

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HISTORY AND POLITICS

History and Lord Macaulay

The New Examen. By JOHN PAGET. With a Critical Introduction by the Rt. Hon. WINSTON S. CHURCHILL, C.H., M.P. pp. xv + 236. (London: The Haworth Press, 1934.) 10s. 6d.
Macaulay als Geschichtschreiber. Von GERHARD WALCHA. pp. 152. (Grosenhain Verlagsdruckerei Georg Weigel, 1931.)
The Whig Interpretation of History. By H. BUTTERFIELD, M.A. pp. vi + 132. (London: G. Bell & Sons.) 4s.

It will be remembered that in the preface to his book on "Marlborough," Mr. Winston Churchill records that he would probably never have undertaken that work but for his discovery, through the agency of the late Lord Rosebery, of Paget's "New Examen." For in Paget he found a stalwart defender of Marlborough against Macaulay, a defender not only of his personal character and honour but one who claimed to be able to dispute Macaulay's most serious charge, namely, Marlborough's supposed betrayal of the expedition to Brest of 1694, "the basest" in Macaulay's words, "of all the hundred villainies of Marlborough."

Paget's book, although it has not been quite so forgotten as Mr. Churchill pretends, has long been out of print. If, in sponsoring its re-issue in an imposing volume, Mr. Churchill's motive is, using his own language, to assist Truth to affix the label "Liar" to Macaulay's genteel coat-tails ("Marlborough," Vol. 1, p. 146), he has at least the grace to dissemble the fact. While he naturally insists that Paget's corrections must be applied to Macaulay's work, he pays at the same time a handsome tribute to "the immense service which Lord Macaulay has rendered to the English-speaking peoples."

The tribute is deserved and it comes with a special grace from one who had every temptation to repeat the ugly epithets such as the one already cited. It is also valuable as a corrective to the facile and superficial attitude which to-day denounces all history as a myth. Fortunately the lack of patience and real grasp of the problem which such an attitude reveals is unlikely long to be popular. A better understanding of the nature of the historian's task has recently been provided by Mr. Butterfield in his admirable essay, "The Whig Interpretation of History." The only quarrel one can find is with its title, for it invidiously selects for special condemnation Whig historians who write Whig history, whereas the indictment could be drawn perhaps a good deal more cogently against Socialist historians who write Socialist history, Marxist historians who write Marxian history, Catholic historians who write Catholic history and, in short, any kind of propagandist who seeks to make his cam-

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paign respectable by premising what appears to be a chain of historical causation as the basis upon which his main arguments can repose with an air of final inevitability.

When Mr. Butterfield's lesson has been fully learned it will be seen that not a few of those who to-day scoff at Macaulay are themselves no better servants of historical truth than they imagine Macaulay to be. For their verdict is unhistorical inasmuch as it is based upon standards of historical writing which have only become possible in our own day. When Macaulay began to write, the study of history had made little progress in England since the days of Hume and Robertson. The wealth of printed source material now reposing in well-catalogued libraries had not then come into being. English archive administration was a scandal and a disgrace. The Record Commission was making feeble efforts to print limited editions of a few standard texts, the Historical Manuscripts Commission had not even been projected.

It is with some reason, therefore, that Dr. Gerhard Walcha, in his competent thesis on "Macaulay as an Historian," refers to him as the first representative in England of the school of critical historians. That Macaulay did not achieve perfection in this role is, to be sure, unfortunate. Of some sources he was unaware, Dr. Walcha instances especially the German archives, others he used uncritically sometimes for rhetorical effect without adequate investigation. It seems also clear that he could not contemplate past struggles for personal liberty and constitutional reform without being influenced by the memory of the more recent struggles into which he had thrown every ounce of his energy and for which he had cheerfully been prepared to make every sacrifice. As an Englishman who had fought for the Reform Bill he no doubt had personal views on the outcome of the Revolution of 1688 which would certainly be more vivid and intense than those of a foreigner such as von Ranke for example, with whom Dr. Walcha compares him to his disadvantage in this connection. "Macaulay the politician," Mr. Arthur Bryant has justly observed in his recent excellently balanced sketch, "was not in this respect serviceable to Macaulay the historian."

Deeply felt convictions on current political questions were not the only forces which gave a bias to his views of the past. In accordance with the tradition of his time historians usually proceeded to pass moral judgments upon the events they described. This Macaulay was not loth to do. He himself held strong views and by giving them rhetorical expression he was able to heighten the interest and enhance the meaning of his story. His desire to grip and hold the attention of his readers was responsible for the vivid contrast in colouring which led him to overstress some of his antitheses and to over-simplify some

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of his characterisations. To such causes must be ascribed that journalistic manner of writing of which Dr. Walcha complains. However justly condemnation may be deserved on these grounds, far less certainty will be felt that an unfavourable verdict must result from the other deficiencies which Dr. Walcha notices; Macaulay's insular outlook, his lack of interest in the more philosophical aspect of historical development, his tendency to subordinate the metaphysical and spiritual to the physical and real.

It is significant for an ultimate judgment upon Macaulay as an historian that critics reviewing his work as a whole almost invariably end upon an eminently laudatory note. (Paget's polemics appearing as articles in *Blackwood's Magazine* in the year in which Macaulay died and at a time when he was broken in health and unable to answer them, did not pretend to any general review.) Faults he undoubtedly had, some of his mistakes were grave. He died before he could give his work its final form. Yet his positive achievement was immense. He won a vast public to historical studies. English history to-day would have been infinitely poorer without him and this, perhaps the most important historical verdict on his work, will secure his fame as long as English letters endure.

F. R. COWELL.

Journalism in Italy

Geschichte der Italienischen Presse. Von ADOLF DRESLER. 2nd edition. 2 vols., pp. 184 and 129. (Munich: R. Oldenburg.) R.M.19.50.

THE comparative neglect of the history of journalism in England is curious and in many ways unfortunate. It is the more surprising because the interest of the subject and its intimate relation to political and economic history has already received ample illustration in many French, German and American works. Herr Dresler's recent work on the Italian press affords a good example.

The history of the Italian press is well worth study for the light it throws on the origins of journalistic activity which began after the end of the 15th century with the written newsletters and early printed news sheets of Rome, Venice, Milan, Genoa and Florence. Political struggles and disunity hindered the subsequent development and in the 18th century French and English models were so superior to the prevalent Italian products that they were somewhat slavishly imitated.

After 1848 the story gains new interest because of its intimate connection with the struggle for Italian unity of which Cavour, Mazzini and Garibaldi were the protagonists. The manner in which they used the press in their campaign was certainly not one of the least important of the factors upon which their ultimate victory depended. In Herr Dresler's second volume the story is told in

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considerable detail. He is concerned rather to present the facts than to make any elaborate comment upon them and at times his pages are little more than a catalogue of names, dates and places. He has, however, packed a great deal of information into his two volumes. It may be added that the work is not confined to Italian newspapers and journals printed in Italy, a fact obviously of great importance in the 19th century if only in connection with the Irredentist movement.

The work stops at the year 1900. It is dedicated to Mussolini and its author has an official position in the Nazi movement. It is only fair to add that these factors have not prevented him from detailing at length the manner in which censorship operated to restrain the freedom of the press in Italy in the past.

F. R. COWELL.

Letters of Napoleon

Selected, Translated and Edited by J. M. THOMPSON. pp. 383. (Blackwell.) 10s. 6d.

NAPOLEON was never, of course, an administrator in the sense of an executant of orders in civil government given by his superiors. But for about fifteen years he was the supreme chief of a centralised administrative system covering all France, and the outlying kingdoms. A great opportunity awaits someone who will search through the enormous Correspondence which is available in printed form and build up a picture of Napoleon as a civil administrator. There would, of course, need to be supplementary reference to the *Souvenirs* and *Memoirs* left by such people as Bourienne and Chaptal. There would emerge the essentials of a psychology of administration, for which the world is waiting. Not that this is the only way to go about it, but it is a very interesting way; and the subject would be all the more attractive, because exemplified in a genius; and even if we hold that the civilisation which interested him is not the one that would please us, yet the adaptation of men and means to his ends must be the source of profound instruction to us.

Now, in this very interesting selection of *Letters of Napoleon*, Mr. Thompson has evidently wished to throw light on all sides of Napoleon's character, and not merely to illuminate his qualities as an administrator. This aspect, in which readers of the *Journal* are more interested, perhaps, than in the rest, receives very little consideration. But there are some interesting letters on the general demeanour of those who wield authority, on the character of various people to hold commands (which though military in nature, are nevertheless good pieces of analysis with wider application), of the local government of France and the nature of centralised control, on

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education, on public opinion and its discovery, on the writing and the teaching of history.

The *Letters in cumulo* tacitly explain why Napoleon was able to command men as he did. He had a peculiar combination of qualities rightly proportioned to each other. These qualities were: full and precise knowledge of the subjects he handled, and the frankness to ask questions when his own information gave out; pride in knowledge, but not the vanity of omniscience; an extraordinarily rapid assimilation of new facts, and immediate apprehension of their significance—that is the power to *exploit* the facts; dexterous management of other people, the product of understanding them and sensing the appropriate way of handling that particular person; a flatterer when necessary, but a flatterer of genius (like Disraeli); extreme care against looking or being made to look ridiculous in the eyes of the people, whether royalty or peasant, whom he was to govern; decision in tactics and policy, and the employment of a will to gain his ends to the point of brutality; a style in writing and speaking clear, peremptory, fresh, and managed in relation to the purpose of the moment; and, perhaps greatest of all, the refusal to be humbugged by euphemisms, roundabout excuses, cant, and particularly by optimistic accounts of situations where knowledge of the bitter truth was most essential to speedy correction.

HERMAN FINER.

Manifesto

Being the Book of the Federation of Progressive Societies and Individuals. Edited by C. E. M. JOAD. Introduction by H. G. WELLS. pp. 320. (Allen & Unwin, 1934.) 7s. 6d. net.

THE formation of the Federation of Progressive Societies and individuals two years ago was an act of faith by its founder that individuals striving to modify society in one direction would also be prepared to co-operate with others seeking changes along different lines. While it may not be self-evident that those who believe in the need for town and country planning will also be prepared to advocate reform of the sex laws, or that pacifists are necessarily sympathetic to the secularization of the State and the disestablishment of the Church, it has, nevertheless been found that sufficient common agreement upon a general plan of social reform exists to justify the attempt at co-ordination which the Federation represents.

The present volume is a collection of statements by various authors in amplification of the Federation's general aims and objects in the fields of Economics and Politics, Education and Social Questions (Sex, Law Reform, Town and Country Planning, Civil and Religious

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Liberties). It is introduced by Mr. H. G. Wells, who has sought to condense the "Common Objectives of Progressive World Effort" and to provide a "strategy" by which that effort may succeed.

It is inevitable that the various contributors are concerned to define and illustrate what they regard as optimum conditions in their various fields rather than to give very precise details of the methods by which they propose to seek practical realisation of the programme they outline. Thus the "scientific development of the actual and potential resources of the world and the distribution of the resulting wealth to provide the fullest and most vigorous life for the whole species" is placed in the forefront of the economic postulates of the Federation. Mr. Allan Young does not find it difficult to show how desirable such an aim appears in contrast to conditions as we know them to-day and he advocates national planning to achieve it. But the Federation demands "the setting up of world economic research and statistical centres to elaborate and direct a world plan." It asks that a world banking organization and a world currency shall be established and that a central control shall ultimately be established over the distribution of raw materials in order to stabilize world prices."

It may be granted that if such a central direction and control were established and if it were able to function all might be well. But to invite the present generation of humanity to see its salvation in solutions so general and so remote is dangerously near condemning the movement to sterility on its economic side.

Mr. Joad, President of the Federation, realizes that Mr. Young has the hardest task of all the contributors, although in arguing for general disarmament and world government Mr. Arnold Foster faces a problem whose practical difficulties are hardly less acute even if they are somewhat better known.

Mr. Francis Meynell devotes most of his paper, "What shall I do in the next War," to showing that war is atrocious, a crime against reason, suicidal and abominable, in the course of which he makes many sardonic comments on the subject of war in general. His answer to the question, however, is not very clear. "My part will be quite passive," he says on p. 115, but later he declares "I am in any event not in favour of doing nothing."

What he would be prepared to do may be gathered from p. 129. He will make a protest "at the time and in the manner that will render it most effective." He might it seems be prepared to make a compromise, to undergo a military medical examination, to wear a uniform, to replace a man sent to the front. But there must be "one sure point, our personal point of honour, beyond which we will not

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go." And the decision when this point is reached "must be individual."

The paper on "Education and World Citizenship" by Dr. W. O. Stapledon, starting with the view that nothing in the world is more important than education, transfers a good deal of this importance to the status of the teachers who should be "the most honoured of all professions" and whose training should be "carried out without regard for expense." Some of the other postulates for the well-being of teachers would startle even the N.U.T. Suffice it to say that they cumulate in the demand that "the national profession of teachers should have the main control over the educational system" whether "without regard for expense" or not does not appear. When a teacher has reached a "fairly low age-limit" he or she should "be given posts in the Civil Service."

Proposals of this nature may command the assent of all truly progressive people but if only to make them a little more clear to the unenlightened it would have been valuable to have some estimate of such details as the numbers of teachers considered necessary to carry out such a plan, and its approximate cost in equipment, salaries, travelling allowances and pensions calculated in terms of direct taxation to be levied on the community.

There is much sound sense in the chapters on the Reform of the Sex Laws (by Janet Chance) and the Reform of the Criminal Law (by D. N. Pritt, K.C.). The short essay on the latter topic, is in many ways the best in the book. There are two papers on town and country planning which ably recapitulate arguments which will be familiar to many readers of PUBLIC ADMINISTRATION. In an essay on "The Secularization of the State and the Freedom of the Individual" Mr. Archibald Robertson seeks to show that the power of organised Christianity is a heavy handicap to progress, and, finally, "A Psychology for Progressives" is attempted by Mr. J. C. Flugel. It is no reflection upon him to say that the progressive movement will probably be just as effective without being able to attribute correctly the rôles of the ego, the super-ego and the id. Mr. Joad's declaration at the outset that the movement is based upon a Victorian trust in reason will probably suffice as a working creed for the majority of its adherents. The attempt to make the force of reason triumphant in all spheres of social life and to unite the forces seeking to achieve that purpose will command assent whatever view is taken of the adequacy of the long-term objectives of the Federation or of the practicability of all the measures by which it hopes to attain them.

F. R. COWELL.

Public Administration

THE DOMINIONS

THE SOUTH AFRICAN JOURNAL OF ECONOMICS, March, 1934. (P. S. King & Son.) 6s.

THIS is the first number of the second volume of the Quarterly Journal of the Economic Society of South Africa, yet, in spite of its extreme youth, the Journal now has every appearance of a veteran publication, and has even managed to secure thirty-three pages of advertisements of the highest class, ranging from the announcements of gold mining companies to those of our own Royal Economic Society and Royal Statistical Society. Its contents maintain the high standard set by the first volume, and the Journal, if it continues in the way it is going, will certainly be a valuable addition to the relatively small number of publications devoted to the serious study of current economic problems.

The first issue of 1934 takes, by accident, almost the aspect of a review of other publications. Its first, and longest, article is a defence by Professor Hutt, of the University of Cape Town, of the utility of classical economic theory as an instrument for examining our present economic distresses and in particular that aspect of them which is bound up with the almost complete disappearance of free competition. It is based mainly upon a study of two recent publications, Professor Chamberlin's "Theory of Monopolistic Competition" (Harvard University Press) and Mrs. Robinson's "Economics of Imperfect Competition" (Macmillan).

Mr. S. D. Neumark sets himself the task of reviewing nine recent books on the world agricultural crisis, including three League of Nations publications and reports of the International Institute of Agriculture and of a group of members of the Royal Institute of International Affairs. In all cases except that of the group of members of the Royal Institute the conclusion is that the agricultural depression is due to over-production, brought about, particularly in the case of cereals, where the depression is most marked, by the technical improvement in farming methods in the oversea countries. The other view is that this factor cannot be regarded as the main cause while millions of the world's population exist below a reasonable subsistence level. This view, however, leaves out of account the lack of purchasing power on the part of the poorest section of the world's population and also the question of taste. For the first time in the history of the world, probably, wheat has recently been cheaper than rice: yet the Chinese have not taken advantage of the opportunity to change to the more valuable cereal, for the simple reason that their taste leads them to prefer their usual diet. The review covers such a wide field that it is perhaps not surprising that not much attention is devoted to the part played by protectionism in consuming countries if not in causing at least in deepening and prolonging the depression. There is, however, an interesting comment on the "back to the land" policy in industrial countries, ending with a quotation from Loveday's "Britain and World Trade" written in 1930, "a point may soon be reached after which the major problems of agriculture in industrial States cease to be regarded as economic and become and are acknowledged to be primarily social." As the reviewer remarks, "It seems as if this point has been reached already," a none too happy state of affairs for oversea agricultural countries.

A plea for a reversal of the present policy of economic nationalism is contributed by Mr. P. O. Williams and a review of J. L. Cohen's "Building Society Finance," with particular reference to the proposed Union legislation on the subject, by Mr. J. J. I. Middleton. Excellent reviews take up the rest of the issue; among them that on J. H. Kirk's "Agriculture and the Trade Cycle" is worthy of special mention, and, for those who take an interest in South Africa's most vital problem, special interest attaches to Mr. Hoernlé's examination of the report of an inquiry into the effects of the copper mines of Central Africa upon native society, made under the auspices of the International Missionary Council.

THE SOUTH AFRICAN JOURNAL OF ECONOMICS, June, 1934. (P. S. King & Son.) 6s.

THE reader of PUBLIC ADMINISTRATION would probably turn first in this publication to Professor Whittaker's paper on "Government and Economic Control." He ranges in a short space over a very wide field and contents himself with setting out the problem, leaving analysis and the drawing of conclusions out of account. One cannot but hope, therefore, that at some future time he will go into this vital subject a little more deeply. As it is, he shows how the pendulum has swung back from the position of *laissez faire* of last century to that of the mercantilism of the sixteenth, seventeenth and early eighteenth centuries, but observes that, whereas in those earlier days commercial success was

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sought mainly as a means to attain power for the State, in these days commercial success is desired mainly for its own sake, though the desire for national aggrandisement is not entirely absent. Whatever the object, however, it is clear that State interference in present conditions is inevitable and must continue to grow, and the vital question for the serious student is whether the gain from what are certainly beneficent activities, such as the proper control of public utilities, the provision of railways where private enterprise would fail to meet the country's needs, and the conservation of natural resources are more than counterbalanced by the selfish nationalistic activities which can have no other effect than to impoverish the world. That guidance for the purpose of instructing public opinion on these matters is urgently needed goes without saying, for there is little evidence that governments have any clear idea where they are going, or even where they want to go, in this matter. Professor Whittaker devotes some space to the danger of political jobbery in connection with enterprises carried out under the ægis of the State, and mentions in this connection the safeguard introduced by a civil service on the lines of our own. He remarks that whereas our system of divorcing civil service from political influence had made some headway in other countries, there is now clear evidence of a movement in the other direction.

The interest of South Africa in gold no doubt accounts for the appearance of Professor Edwin Cannan's presidential address to the Royal Economic Society in April last on "The Future of Gold in Relation to Demand." By permission of the Society the paper is here printed simultaneously with its appearance in the "Economic Journal."

The need for a journal of this kind in South Africa is brought out in the opening paragraphs of an extremely interesting paper on "Business Cycles in South Africa," by Professor Schumann, of the University of Stellenbosch, where he remarks that "in South Africa we have scarcely started to make a careful investigation of the different fluctuations in the economic development of the country." His paper deals with all the familiar indices for estimating industrial activity and relates them to the case of South Africa, giving special prominence to the index of gold-mining shares. He emphasises the need for the establishment of an institute for economic and business research, particularly in view of the unique South African problem of a gradually diminishing gold mining industry and the inevitable consequential transition to a differently constructed economic system.

Other articles deal with Witwatersrand mining policy and with the Report of the Commission on Agricultural Co-operation, and there are the usual reviews and notes on current topics.

J. K.

THE ECONOMIC RECORD, June, 1934. The Journal of the Economic Society of Australia and New Zealand. (Oxford University Press.) 5s. net, 10s. annual subscription.

THE first article in this issue is signed "R. G. Hawtrey," and is a review of Professor Copland's recent book "Australia and the World Crisis, 1929-33" (Cambridge University Press). Professor Copland and Messrs. Giblin and Dyason were called upon in 1930 to advise the Australian Government in the disastrous circumstances brought about in Australia by the depression. The magnitude of the disaster with which they were faced is shown by the calculation—made after the event—that the national income was believed to have fallen from £645,000,000 in 1928-9 to £459,000,000 in 1930-31 and to £430,000,000 in 1931-32. The book is an examination of the steps taken on the advice of its author, who supplies not only some observations upon future policy but also second thoughts on the wisdom of his own advice in same particulars.

Mr. G. V. Portus of the University of Adelaide contributes a paper on the historical rôle of trade unionism. He traces shortly the history of the movement in Great Britain, showing that it has alternated between periods of defence and protest and between industrial and political action, and winds up with an examination of the question whether, since trade unionism is the product of industrial capitalism, its function would not disappear with the success of its secondary object, which is the overthrow of the capitalist system. Clearly its primary object, to defend the workers' interests against the masters, would no longer exist. An examination follows of the position of trade unionism in Russia, and the conclusion is that, though the membership has increased threefold since 1920, the functions of the unions have changed to such an extent that almost their only resemblance to trade unions as we know them lies in the name.

The official case of Western Australia for withdrawal from the Commonwealth is the subject of examination by Mr. E. L. Piesse. The main counts in the case against Commonwealth policy are the customs union, which gives the manufacturers of the other States free entry into Western Australia and the high level of the tariff which, while it brings no benefit to the primary producers of the west, raises the cost of everything

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they need to buy. Mr. Piesse remarks, however, that, in the present state of world markets, it is not certain that tariff autonomy would end the troubles of a territory which exports two-thirds of its primary production and 90 per cent. of its wheat, and that if, owing to difficulties in marketing its produce, an effort were made to start secondary industries, the probable result would be tariffs even higher than the present Commonwealth tariffs. One cannot but doubt the validity of this last comment in relation to a State so predominantly agricultural as Western Australia, though recent experience suggest that States are capable of any form of economic lunacy.

Two articles on New Zealand deal with depression psychology and with railway transport. Mr. Gifford contributes a mathematical examination of the effects of protection on the price level in Australia. Among the reviews are notes on Miss Anne Ashley's life of Sir William Ashley and Mr. Flux's paper on the measurement of price changes, with special reference to the Board of Trade index which he established in 1921.

With some timidity the present reviewer, on behalf of readers outside Australia and New Zealand, makes one suggestion: that the index should contain some information about authors in addition to their names.

J. K.

Books Received

Books received include the following:—

<i>Title.</i>	<i>Author.</i>	<i>Publisher.</i>	<i>Price.</i>
Trade Unions and the State	W. Milne-Bailey	Allen & Unwin	12/6
Planning the Modern State	F. A. Bland	Australian Book Co.	4/6
Appeals for Funds and Hospital Publicity	J. E. Stone	Birbeck & Sons (Birmingham)	—
The English Borstal System	S. Barman	P. S. King & Son	12/-
Church and Slum, Vol. 1, No. 2	Church Union Hous- ing Association	—	6d.
Exposition of the Rees-Nichol- son Proposals for a National Housing Board	F. H. Rees and Reginald Nicholson	—	—
Law Making in the United States	Harvey Walker	Ronald Press Co. (New York)	\$4.00
Dark Interval	Rosalind Cornwall	Methuen & Co.	7/6
Behind the Throne	Paul Emden	Hodder & Stoughton	15/-
Higher Control	T. G. Rose	Pitman & Sons	12/6
Rural Highway Units—1933	Report of Conference held in New York	Social Service Research Council	—
The City-Manager Profession	C. E. Ridley and Orin F. Noltung	Univ. of Chicago and Cambridge Univ. Press	9/-
The Public Authorities Pro- tection Act, 1893	J. J. Somerville	Sweet & Maxwell	15/-
The Statesman's Year-book, 1934	M. Epstein	Macmillan	20/-
The Agricultural Register, 1933-34	Agricultural Economics Research Institute	Oxford	3/6
Scientific Research and Social Needs	Julian Huxley	Watts & Co.	7/6
The Great Depression	Lionel Robbins	Macmillan	8/6
The Struggle for the Freedom of the Press from Caxton to Cromwell	William M. Clyde	H. Milford, Oxford Univ. Press	—
Imperial Economy, etc.	C. R. Fay	Oxford Univ. Press	6/-
Simple Economics	F. H. Spencer	Univ. of London Press	2/-
Public Affairs	A. F. Chappell	Univ. of London Press	1/10.
Civil Service Examinations	—	H.M. Stationery Office	1/3
Public Assistance	J. J. Clarke	Pitman	6/-
Origin of the International Labour Organisation (2 vols.)	—	Oxford Univ. Press	50/-
London Statistics	L.C.C.	London County Council	15/-
Where Labour Rules	H. R. S. Phillpott	Methuen	2/6.
Local Government	H. Lloyd Parry	P. S. King	6/-
The Local Government Act, 1933	Alfred R. Taylour	Hadden, Best & Co.	42/-

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Palace Chambers, Bridge Street, Westminster, S.W.1.

Books for Review should be addressed to THE EDITOR.

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Northern Winter Conference, 1935

THE Winter Conference organised by the Regional Groups of Birmingham, Edinburgh, Glasgow, Hull, Leeds, Liverpool, Manchester, Northern and Sheffield will be held at the Grand Hotel, Sheffield, on the 23rd and 24th February, 1935. The Chair will be taken by Sir Montagu H. Cox, LL.B. (Lond.), J.P., when the following papers will be discussed:—

Saturday, 23rd February.

POPULATION CHANGES IN THE NEXT 30 YEARS, AND THEIR EFFECT ON THE SOCIAL SERVICES.

H. A. Mess, B.A., Ph.D., Director of the Tyneside Council for Social Service.

Norman Wilson, D.P.A., Department of the Medical Officer of Health, Birkenhead.

See pages 4 and 11.

Sunday, 24th February.

SOCIAL DEVELOPMENT—RECENT TRENDS IN LEGISLATION AND ADMINISTRATION.

Miss Z. Puxley, O.B.E., Ministry of Health, Whitehall.

W. O. Hart, B.C.L., Lecturer in Law, Wadham College, Oxford.

See pages 26 and 32.

Expected Population Changes in the Next Generation and their Effects on Public Services

By HENRY A. MESS, B.A., Ph.D.

[Paper to be discussed at the Northern Regional Groups' Conference, Sheffield, February, 1935]

MR. WILSON is dealing in his paper with the changes in population which may be expected as the result of the changing birth rates and death rates. It is necessary to supplement this by allowing for the effects of movements of population, both from and to this country and also within the country.

The last few years have seen a marked change in the balance of immigration and emigration. Table I indicates this:—

TABLE I.

Immigration to and Emigration from the United Kingdom.

1926	(a) Immigrants from British Empire areas	39,079	51,063
	" " other countries	11,984	
	(b) Emigrants to British Empire areas	132,306	
	" " other countries	34,295	166,601
	(c) Balance of migration		-115,538
1932	(a) Immigrants from British Empire areas	54,269	75,595
	" " other countries	21,326	
	(b) Emigrants to British Empire areas	21,249	
	" " other countries	5,739	26,988
	(c) Balance of migration		+48,607

It will be seen that the United Kingdom is now importing population where a few years ago it was exporting it. The difference between the two years expressed as a rate per 1,000 of population is, however, inconsiderable, and it does not seriously affect estimates of population.

Internal migration is quite another matter. It is on a scale which

Expected Population Changes

TABLE II.—CHANGES IN POPULATION IN VARIOUS AREAS

Area	A.—MID 1921 TO MID 1926 (FIVE YEARS)						(g) Av. Yearly Balance of Migration
	(a) Census Population 1921	(b) Natural Increase 1921-26	(c) Average Yearly Nat. Increase	(d) †Natural Population Mid 1926	(e) Estimated Population Mid 1926	(f) Balance of Migration	
*Industrial Tyneside ...	818,422	45,580	9,116	864,002	854,570	- 9,432	- 1,886
Northumberland (Geographical County) ...	746,096	36,558	7,312	782,654	768,660	- 13,994	- 2,799
Durham (Geographical County) ...	1,479,033	94,138	18,828	1,573,171	1,533,860	- 39,311	- 3,862
Glamorgan (Geographical County) ...	1,252,481	72,199	14,440	1,324,680	1,312,690	- 11,990	- 2,398
Monmouth (Geographical County) ...	450,794	28,039	5,608	478,833	469,030	- 9,803	- 1,901
London and Home Counties	10,038,515	394,078	72,816	10,402,593	10,437,030	+ 34,437	+ 6,887
Area	B.—MID 1926 TO MID 1929 (THREE YEARS)						(g) Av. Yearly Balance of Migration
	(a) Estimated Population Mid 1926	(b) Natural Increase 1926-29	(c) Average Yearly Nat. Increase	(d) †Natural Population Mid 1929	(e) Estimated Population Mid 1929	(f) Balance of Migration	
*Industrial Tyneside ...	854,570	18,024	6,008	872,594	837,430	- 35,164	- 11,721
Northumberland (Geographical County) ...	768,660	14,857	4,952	783,517	759,960	- 23,557	- 7,852
Durham (Geographical County) ...	1,553,860	38,886	12,962	1,592,746	1,508,260	- 84,486	- 28,162
Glamorgan (Geographical County) ...	1,312,690	25,590	8,530	1,338,280	1,273,890	- 64,390	- 21,463
Monmouth (Geographical County) ...	469,030	10,244	3,415	479,274	455,870	- 23,404	- 7,801
London and Home Counties ...	10,437,030	140,425	46,808	10,577,455	10,699,000	+ 121,545	+ 40,515
Area	C.—MID 1929 TO MID 1932 (THREE YEARS)						(g) Av. Yearly Balance of Migration
	(a) Estimated Population Mid 1929	(b) Natural Increase 1926-29	(c) Average Yearly Nat. Increase	(d) †Natural Population Mid 1929	(e) Estimated Population Mid 1929	(f) Balance of Migration	
*Industrial Tyneside ...	837,430	14,695	4,898	852,125	830,230	- 21,895	- 7,298
Northumberland (Geographical County) ...	759,960	11,770	3,923	771,730	760,730	- 11,000	- 3,666
Durham (Geographical County) ...	1,508,260	34,360	11,453	1,542,717	1,492,270	- 50,447	- 16,816
Glamorgan (Geographical County) ...	1,273,890	18,708	6,236	1,280,126	1,221,190	- 58,936	- 19,645
Monmouth (Geographical County) ...	455,870	8,393	2,798	464,263	433,590	- 30,673	- 10,224
London and Home Counties ...	10,699,000	129,634	43,211	10,828,634	11,221,340	+ 392,716	+ 130,905

*Area, as defined in "Industrial Tyneside," p. 18 (Ernest Benn Ltd., 1928), consists of the county boroughs of Newcastle-upon-Tyne, Tynemouth, South Shields, and Gateshead; the municipal boroughs of Wallsend and Jarrow; and the Urban Districts of Whitley and Monkseaton, Hebburn, Felling, Whickham, Blaydon, Newburn and Gosforth.

†i.e., population as it would have been if there had been no migration.

§London, and the geographical counties of Buckinghamshire, Essex, Hertfordshire, Kent, Oxfordshire, Surrey, Middlesex.

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cannot be disregarded in our estimates of future local population in any large area of England and Wales. The quantity, age and sex incidence, and characteristics of the population of different parts of the country have been very much modified in the past by internal migration and we must expect the process to continue. Indeed, it is clearly happening under our eyes. The biggest shift which is going on is of population from the depressed areas to the relatively hopeful areas of new light industries, and particularly to the area round London. Table II sets out the figures for the counties of Durham and Northumberland in the North East of England, of Glamorgan and Monmouth in South Wales, the badly hit areas. It also shows (mainly because the writer has a special interest in it) the figures for the conurbation on the River Tyne, partly in Durham and partly in Northumberland. By way of contrast the figures are set out for London and the Home Counties, the range of distance round the capital being sufficiently wide to eliminate the complication arising from the spreading of London's population over a wider area of suburbs.

It will be seen from Table II that migration trends change more rapidly and more violently than trends of natural increase. Also, that both in the distressed areas and in London and Home Counties the balance of migration is considerably greater in volume than the natural increase. Moreover, since the migrants pretty certainly include a high proportion of men and women of breeding ages, there will be a further and rapid cumulative effect on the relative populations of the areas from which they come and to which they go. Trends of migration must, obviously, be watched very carefully by those who wish to estimate future local populations, especially in times of economic upheaval.

The effects of migration on sex and age incidence can be very great. During the second half of the nineteenth century there was a huge immigration into the North East of England, and one result was an excess of males. The migrants of the last ten years have, on the contrary, been predominantly female, with the result that the former disproportion of the sexes has now almost disappeared in the mining and shipbuilding areas. County Durham had 984 females per 1,000 males in 1911, and 999 females per 1,000 males in 1931.

The abnormal age incidences which rapid migration can bring about are illustrated by some of the new housing estates. Mr. Terence Young has given the figures for the Becontree Estate of the London County Council, showing that in comparison with London there is on the estate a great excess of young children, a marked shortage of young men and women between the ages of 18 and 24, and a marked shortage of elderly men and women.

Expected Population Changes

II.

Granted that it is difficult to estimate future local populations, because the changes in migration trends can be so big and so sudden, yet we have some indications to go upon. We have next to face the even more difficult task of thinking out what differences in policy of government there ought to be between (a) an area with a dwindling population, (b) an area with an expanding population. On the one hand, we need a policy for many of the towns of the North East Coast, of West Cumberland and of South Wales; on the other hand we want a policy for Becontree, Corby, Billingham, and their like.

One of the difficulties in framing a policy for decaying areas is that local pride nearly always refuses to admit decay. The old industries are going to revive; the peculiar virtues of the population, to which its past prosperity is inevitably attributed, will ensure its success in the future as in the past; times have been hard before, and there was recovery. And such are the vicissitudes of economic fortune that one never can tell for certain. It may be, however, that one effect of the factual studies which are being made to-day will be that the phenomena of economic rise and decay will be more clearly seen and more readily admitted in the future. The inevitable will be accepted with better grace. After all, there is nothing disgraceful to a town or to a district if it becomes poorer and less populous because its local coal mine is worked out or because the relative advantages of hæmatite have been lessened by metallurgical invention.

Let us suppose then that it is recognised and accepted by the local councillors and the local officials, and by the powers at Whitehall, that in all probability their town will decline in numbers and wealth. Can we frame any guide to their policy?

One great danger is that such an area will be allowed to deteriorate rapidly in its social services. We all know that a house is seldom kept in the best repair when its tenant expects to quit it; and that services under sentence of death are carried on with lessened vigour. In the same way areas which are looked upon as played out are often neglected. The most abominable slums which I have seen in a considerable experience were in a derelict chemical area; the local authority did nothing, until pressure was exerted by the Ministry of Health, on the excuse that the population was dying out. Another case brought to my notice recently was that of some galvanized iron hutments, intended to be temporary, which were still occupied after more than thirty years and were in a very dilapidated condition; the excuse of the local authority in this case was that the quarrying operations might cease at any time. It might be reasonable enough

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to subject a population to some hardship for a couple of years or so, rather than to incur great expense for no permanent benefit, but it is quite another matter to let a population drag out in discomfort for ten, twenty or thirty years. That is the peculiar danger of a decaying area.

I would lay it down as a principle, difficult though it may be in execution, that the quality of services should be maintained as far as possible while the quantity is diminished. This will mean a good deal of ingenuity in organization. Improvement of communications can often be a help. The worst houses can be closed over a group of villages or towns and their former inhabitants can be induced to migrate; there should be a surplus of fairly decent houses, and probably something can be done by re-conditioning and by properly controlled tenementing of well-built middle-class houses.

In a region where urban districts are close together, the position can be eased considerably by joint arrangements with neighbouring authorities; as, for instance, with regard to feeding of school children, provision of special schools, provision of isolation hospitals, fire brigade service. In matters where there seems to be no provision for joint action there are the two alternatives open of amalgamation of neighbouring authorities or of surrender of powers to the county. Amalgamation of neighbouring authorities, which should be pressed forward in times of decay, has the advantage that in a region whose total population is shrinking the population within each constituent local government area does not fall below a certain level and there can thus probably be secured a better staff of officials, whose salaries (and consequently, average ability) are in a number of cases, *e.g.*, the Medical Officers of Health, scaled to the population they serve. In the case of more isolated towns, there is the possibility of surrender of powers to the county. Part III authorities could, for instance, surrender their responsibility for elementary education; and some of the smaller towns could surrender their control of police.

Much of this is doubtless in the nature of a counsel of perfection; we all know how cordially local authorities dislike the thought of loss of powers or of loss of identity. None the less it seems to be the dictate of common sense. There is a further objection on the score of finance: an impoverished local authority does not have many suitors for marriage. But on finance something is said below.

Sections 46 and 47 of the Local Government Act of 1929 provide for decennial reviews of district boundaries by the county councils and give the Minister of Health authority to alter them. The results of the first reviews have been trivial; the powers exist, but there seems little disposition at present to use them.

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III.

The local authorities of rapidly developing areas have also their difficulties to face, but they have the great advantage that they work in an atmosphere of exhilaration and not in the depressing atmosphere almost inseparable from decline. We may distinguish between the planned new community, such as Welwyn Garden City or the Becontree Estate, and the mere addition to existing towns or more or less random building up of the spaces between them. One thing which emerges, I think, from the histories of the planned new towns and suburbs—Mr. Young brings it out clearly in his book on Becontree—is that if they are to attain or to retain a community sense, they must be given as soon as possible their own distinct local authority. Becontree has failed to realize itself as a community, in considerable degree because it is parcelled up between three local authorities, two of which were pre-existent. There are other good reasons for giving separate local government: new suburbs have in some cases suffered severe checks in development by being under the jurisdiction of rural district councils who have applied village standards, and who have in some cases frankly regarded the new urban community as a milch-cow.

The second great need of a rapidly expanding area is for close co-operation between the different departments of the local authority. There have been some bad examples of separate services developing without mutual consultation of officials and sometimes in competition with one another. Here our English lack of the equivalent of the Continental burgomaster is felt.

A third difficulty of a rapidly expanding area is the need for simultaneous provision of capital for the whole range of social services. It is a burden which commonly falls most heavily, and sometimes very unjustly, upon the county.

IV.

In conclusion, communities rise and fall; and both their infancy and their senility require special care. It might be said that the extra financial burden of both these periods should be distributed over the normal period of their existence, but this is in practice extremely difficult to arrange. Where a community is dependent upon a single industry, especially upon an extractive industry such as mining, a special levy might possibly be raised, on the analogy of the welfare levy on coal, towards the expenses of the inevitable period of collapse. But the dependence is seldom so absolute, or the phases of rise and fall so clearly marked, as to render that feasible. Probably it must be through State taxation and State subsidy that

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the burdens of the different communities in their varying phases are equalized and distributed.

We need to watch population trends closely; certainly migration trends, which are subject to frequent and sudden reversal. Our planning can probably only be for comparatively short periods ahead. Probably, we shall be wise not to build too solidly in future, but to be prepared for frequent replacements. It would be wisdom also to accept more readily than at present re-arrangements of local authority boundaries and duties. In such a way we shall be in the best position to maintain quality of service during periods when the quantity of service required is changing rapidly.

[The writer wishes to acknowledge help received from Mr. G. P. Daysh and Mr. S. Dennison, both of Armstrong College.]

Population Changes and their Effects on Certain Social Services

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[Paper to be discussed at the Northern Regional Groups' Conference Sheffield, February, 1935]

IN the early part of last century people were much exercised by the fear that the rapidly-growing population was in danger at no remote time of outrunning the means of subsistence. To-day problems of population again demand attention; but it is the consequences of a dwindling and not of an increasing population which excite consideration. The necessity for planning our economic and social life is now being more and more widely appreciated, and it is of the utmost importance that those whose part it is to do the planning shall take into account the extent to which the number and age-distribution of the people in the near future will be a factor.

In the following estimate of the population certain assumptions are made:—

1. That migration does not exist. Migration is so subject to political and other influences as to make prediction hazardous.
2. That the annual number of births declines (a) up to 1942 because of a continued extension of birth control; and (b) thereafter because the total number of married women aged 15-45 is declining and coincidentally the proportion represented by the older, less fertile section is increasing.
3. That the marriage rate will remain as it is now. There has been little variation (except as a result of the war) throughout the century.
4. That male births occur in the same ratio to female births as they have done in the ten years 1923-1932 (1,045:1,000).
5. That there is an improvement, at a progressively diminishing rate, in the mortality rate of (a) infants under twelve months, until 1951; (b) infants aged 1-2 years, until 1946; (c) infants aged 2-5 years, until 1941; and in the tuberculosis mortality rate of persons aged 15-30 years from 1952 onwards.

The assumptions with regard to birth rates and death rates have

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been made after due consideration; but space does not permit of their elaboration.

Method Employed in Making the Estimate

The survivors of the 1932 age-group 5-9 in 1937 are estimated by applying to this group in each of the five transitional years the mean of slightly below the average death rate during the past ten years of this group and the 10-14 group. By the use of a similar procedure to the other groups up to the group 45-49 there is estimated the survivors in 1937 of persons aged 5-49 in 1932—that is to say, the numbers of those persons who five years after 1932 will be aged 10-54.

For ages 0-4 and 50-79, where there are wide discrepancies in the death rates at individual years, the application of a mean rate in the manner described above would not be sufficiently accurate in its results. To each of these individual years, therefore, its own death rate has been applied, e.g., to male children under the age of one in 1932 there has been applied the rate of 75.3 per 1,000 to ascertain the survivors aged 1-2 in 1933; to these has been applied the rate of 15 to obtain the survivors aged 2-3 in 1934; and so on. Individual years of age in the ages 50-79 have been treated similarly. Finally, in any one year persons aged 80 and over are assumed to be 40 per cent. of the group 75-79 five years previously.

To obtain the completed estimate over three thousand calculations have been made; and it is felt that, failing the introduction of some quite unexpected factor such as a large jump in the birth rate, the forecast should prove to be reasonably accurate.

There are two outstanding features of this forecast:—

- The steady decline in the total population after 1942;
- The marked changes in age distribution.

Decline in Population

The total population rises slowly until 1942 and thereafter declines with increasing speed until in 1962 it represents 92.2 per cent. of the peak year and 93.2 per cent. of 1932.

The male population follows the same progression as that of the total population, the number in 1962 being 92.7 per cent. of that in 1942 and 93.8 per cent. of that in 1932.

The female population reaches its maximum height in 1937; the figure in 1962 is 91.8 per cent. of that in 1937 and 92.6 per cent. of that in 1932.

Changes in the size of the population occurring as gradually as these would not in themselves cause any dislocation in the economic and social organisation of the country were the age-elements constant in their relationships. As it is, however, changes in age-distribution will be so marked as to necessitate almost continuous adjustment of many parts of our social machinery.

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ESTIMATED POPULATION (IN HUNDREDS), ENGLAND AND WALES, IN CERTAIN AGE-GROUPS.
PERSONS.

Ages	1932*	1937	1942	1947	1952	1957	1962
	% age of Total	% age of Total	% age of Total	% age of Total	% age of Total	% age of Total	% age of Total
0-5	2,969.6	2,718.7	2,495.4	2,289.8	2,182.3	2,012.8	1,875.4
5-15	6,531.0	6,012.0	5,460.3	5,018.6	4,613.4	4,316.3	4,040.3
Total 0-15	9,500.6	8,730.7	7,955.7	7,308.4	6,795.7	6,329.1	5,915.7
15-35	13,340.8	13,366.7	12,979.7	12,258.4	11,536.0	10,585.6	9,675.9
35-45	5,526.6	5,822.3	6,271.9	6,517.3	6,327.4	6,123.8	5,946.7
Total 15-45	18,867.4	19,189.0	19,251.6	18,775.7	17,863.4	16,709.4	15,622.6
45-65	8,776.6	9,227.7	9,485.9	9,830.3	10,342.3	10,805.7	10,994.1
65 up	3,056.4	3,443.7	3,921.6	4,324.6	4,597.4	4,787.2	4,927.5
Total	40,201.0	40,591.1	40,614.8	40,239.0	39,598.8	38,631.4	37,469.9

* Registrar-General's Mid-year Estimate.

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MALES.							
Ages	1932*	1937	1942	1947	1952	1957	1962
0—5	1,503,2	1,378,0	1,266,6	1,163,4	1,109,1	1,023,0	953,1
5—15	3,299,3	3,036,8	2,761,9	2,538,8	2,335,8	2,186,1	2,052,0
15—35	6,511,4	6,617,3	6,482,5	6,171,3	5,824,1	5,329,3	4,873,5
35—45	2,539,2	2,717,7	3,011,7	3,166,4	3,116,5	3,065,6	2,989,3
45—65	4,110,6	4,258,4	3,409,4	4,478,6	4,764,3	5,045,0	5,233,7
65 up	1,316,3	1,480,4	1,692,1	1,834,4	1,917,0	1,966,1	1,991,1
Total ..	19,280,0	19,488,6	19,524,2	19,352,9	19,066,8	18,615,1	18,092,7

FEMALES.							
Ages	1932*	1937	1942	1947	1952	1957	1962
0—5	1,466,4	1,340,7	1,228,8	1,126,4	1,073,2	989,8	922,3
5—15	3,231,7	2,975,2	2,698,4	2,479,8	2,277,6	2,130,2	1,988,3
15—35	6,829,4	6,749,4	6,497,2	6,087,1	5,711,9	5,256,3	4,802,4
35—45	2,987,4	3,104,6	3,260,2	3,350,9	3,210,9	3,058,2	2,957,4
45—65	4,666,0	4,969,3	5,176,5	5,351,7	5,578,0	5,760,7	5,760,4
65 up	1,740,1	1,963,3	2,229,5	2,490,2	2,680,4	2,821,1	2,936,4
Total ..	20,921,0	21,102,5	21,090,6	20,886,1	20,532,0	20,016,3	19,367,2

* Registrar-General's Mid-year Estimate.

Changes in Age-Distribution

If the population is divided into four main groups (0-15, 15-45, 45-65, and 65 and upwards) it is seen that the first suffers a continuous, the second an almost continuous, decline and the third and fourth a continuous growth, in their respective proportions of the total. It is in the first and last quarters that the changes are most striking; for whereas the younger population declines from 23.6 per cent. in 1932 to 15.8 per cent. in 1962, equal to a fall of 33.1 per cent.,

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the older rises from 7.6 per cent. to 13.1 per cent. over the same period, equal to a growth of 72.4 per cent. Taking the population as a whole, that proportion represented by people under 45 which in 1932 was 70.5 per cent. has fallen when 1962 is reached to 57.5 per cent. The effects of this gradual ageing of the population upon national thought and outlook are outside the scope of this article, although they are bound to play a part when problems of adjustment come to be dealt with.

Many of these problems will be centred in the first and last of these four main groups—roughly speaking the ages of dependency. Though the proportion of the two groups combined will fall only from 31.2 per cent. in 1932 to 28.9 per cent. in 1962, the radical change in their respective proportions will have far-reaching effects upon the important social services which cater for those sections of the community below and above wage-earning ages.

Changes in age distribution in the combined groups 15-45 and 45-65—the years of working capacity—will be less marked, and their reactions upon the social services in consequence smaller in their effects. Their proportion of the total population will go up from 68.7 per cent. to 71.2 per cent., though their actual numbers, after rising slightly until 1942, will fall thereafter until in 1962 they are 96.3 per cent. of the 1932 figures.

In these two groups, however, there is a continuous falling-off in the numbers of the younger members balanced by a continuous increase in the numbers of the older. As older persons are more prone to be in need of Poor Law services, the calls upon these services will tend to become more numerous. Unemployment Insurance will be affected in the same way and for the same reason. Housing, however, is the social service which is probably most directly affected by changes in adult age-distribution during the next thirty years.

Social Services and Population

The social services may be roughly divided into two main classes:—

- Those which cater for persons of fairly well-defined ages;
- Those which cater for persons irrespective of age.

Examples of those which fall into the first class are Education, Old Age Pensions and Unemployment Insurance; of those which fall into the second, Poor Law and Welfare of the Blind.

It is impossible to make any clear-cut distinction: the need for houses, for instance, is conditioned by the number of persons of adult age, as provision of maternity services is governed by the number of women of child-bearing age. A consideration of the effects of population changes therefore must resolve itself into a con-

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sideration of the effects firstly of changes in the size of the whole population and secondly of changes in the size of particular groups of the population.

Three social services will be dealt with in this paper: Maternity and Child Welfare, Education, and Housing. It will be noted that the first of these comes into both classifications inasmuch as while there is no restriction except that imposed by nature upon women who may be dealt with under the Act of 1918 that Act limits the age up to which infants come within its scope to five years; that Education (confined here to the education of juveniles) comes into the first category; and Housing into the second.

Maternity and Child Welfare

Considerable extensions of the maternity and child welfare service generally have been made in recent years, but development has been very uneven. The report of the Maternal Mortality Committee, published in October last year, states that as a result of the analysis of Medical Officers' annual reports it is found that half or more of the services which can be provided for expectant and nursing mothers are in fact provided by only 29 county councils, 44 county borough councils, and 22 metropolitan borough councils. It is only fair to say, however, that the more important services, such as maintenance of antenatal clinics, are provided by a greater number than these.

Taking the country as a whole, increasing use is being made of the facilities offered under maternity and child welfare schemes; but what would constitute *full* use of existing facilities it is impossible to say. During the past few years the proportion of infants attending baby clinics to births notified has risen steadily, as has the attendance of expectant mothers at antenatal clinics; but these increases are due in part at any rate to an increase in the total number of these clinics. In some towns, however, attendance appears to be stabilised; this, on the other hand, may be due to insufficient accommodation or staff. Unlike the education service, which includes compulsorily within its scope all members of a certain class and therefore must be influenced considerably by the growth or decline in the size of that class, the maternity and child welfare service caters in a very uneven manner not for a known number but for a quite indeterminate number who choose to use it. For this reason it is not possible to assess the effects upon it of population changes; and for the same reason this service will be affected to a much greater extent by other factors.

It may be assumed, however, that there will be, for some time at any rate, a growing demand for extension of the service, although there will be a steady decline in the total number of mothers and infants. The proportion of mothers who attend clinics is lower than

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the proportion of infants, largely because mothers have been slower in appreciating the importance of medical supervision for themselves than they have been in appreciating it for their children. Attendance of mothers is increasing with the growth in the number of antenatal clinics, and there is every indication that it will continue to increase. In the same way the increase in the number of maternity beds in institutions provided or used by local authorities has been followed by an increase in the number of women admitted to them; but for how long a rise in one would be accompanied by a rise in the other is conjectural.

It is only in the case of home visiting of infants under the age of five that the effects of population changes can in any way be estimated. This is because practically all newly-born babies are visited, and the results of the decline in the number of births upon home visiting may therefore be considered. The same number of average visits may be made by a dwindling staff, or an increased number of average visits may be made by the same staff. As the amount of visiting to children between the ages of one to five is acknowledged to be insufficient, there will be growing opportunities of increasing it without additional staff or expense.

Education

Something of the effect which the shrinking juvenile population will have upon our educational system may be appreciated when it is realised that in 1947 there will be fewer total children between the ages of 3 and 17 than there were children between the ages of 5 and 15 actually on the registers of elementary schools in 1932; while by 1962 the number of children aged 3 to 17 will have fallen to 62 per cent. of the total of these ages in 1932.

The difficulties caused by this rapid contraction in the number of children of school age will be great. In a time of expanding population it has been prudent policy to build schools sufficiently large to accommodate an increasing number of pupils over a period of years. What is to be done when a school designed to hold a certain number of scholars now will before it is many years old be much larger than its register warrants? In cases where schools are built to serve growing areas the problem will arise in lesser degree; but the question, for instance, of how large a school to provide in a built-up area in replacement of one condemned is one to need considerable thought. Schools must be placed within reasonable distance of the homes of the children who attend them; the expedient of closing schools or of not replacing out-of-date schools and making fewer schools serve the same district cannot therefore be employed to any great extent.

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Similar difficulties will arise with regard to teaching staff. The number of teachers cannot be reduced proportionately to the fall in the number of children because teachers have to be allocated to children of certain ages in certain classes in certain schools. Four teachers are required for four classes of twenty-five children each just as much as they are required for four classes of fifty. A school, once built, is expected to last for a number of years; a teacher, once educated and trained, expects to be and should be occupied in his profession during his working life. Neither, after being prepared at considerable expense to fulfil a certain function, should be scrapped before working life is over.

It may be of interest, if not of much profit, in view of the fact that classes vary greatly in size, to consider the number of elementary school children per class teacher over the next thirty years, on the assumption that the number of teachers remains constant, that the same percentage of children go to secondary and other schools, and that the school-leaving age is (a) 14 years; (b) 15 years; and (c) 16 years:—

	1932	1937	1942	1947	1952	1957	1962
Leaving age 14*	38.0	34.5	31.5	28.8	26.6	25.0	23.2
Do. 15	—	35.4	32.1	29.5	27.2	25.4	24.0
Do. 16	—	39.3	35.4	33.5	30.2	28.2	26.4

* Approximately 25 per cent. of children aged 14-15 not in secondary schools were in attendance at elementary schools and are included throughout this line.

It will be seen that so far as the number of teachers is concerned, the leaving age might be raised to 15 in 1937 and to 16 in 1942 without raising the average number of children per teacher, and that after these dates the number would be steadily reduced.

The school-leaving age cannot, however, be raised without increasing the number of teachers, even though there may be a certain amount of reduction due to closing of schools and re-arrangements of departments owing to the fall in child population; and this, for reasons suggested above, cannot be very extensive. To deal with children aged 15 and 16 means in each department the creation of two new classes and the appointment of two new teachers. The figures given above, therefore, throw little light upon the teacher-requirements of a raising of the leaving age. They do suggest, however, the possibility of a gradual reduction in the size of classes of children of the ages now dealt with. Since in 1932 practically 40 per cent. of all classes, and 48 per cent. of classes in urban areas, contained 40 children or more, there is considerable need for improvement in this respect.

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Assuming that to deal with the additional number of school children created by the raising of the leaving age to 16 in 1937 a further 35,000 class teachers (25 per cent. addition to the present total of 146,000 certificated and uncertificated teachers) were required, the average number of pupils per teacher would be:—

	1937	1942	1947	1952	1957	1962
Age 14-15 (15,000 teachers)	34.0	29.8	26.7	23.9	21.5	19.8
Age 15-16 (20,000 teachers)	33.1	31.2	28.0	25.5	23.7	21.8

Classes in urban areas would be slightly above, in rural areas slightly below these averages.

Broadly speaking, therefore, it would seem that if the same proportion of elementary school children to the total number of children of comparable ages were preserved, the number of class teachers required—

- (a) if the leaving age remains at 14, would decline comparatively little below its present figure;
- (b) if the leaving age were raised to 15, would be about 10 per cent. above that figure;
- (c) if the leaving age were raised to 16, would be about 25 per cent. above that figure.

Because a school has to be placed within reasonable proximity to its scholars' homes the number of schools cannot be measured by the number of children. The buildings remain though their population dwindles, and where closure is possible on account of redundancy this tends to be offset by the erection of new premises to cater for new areas. The general effect in the decline in the number of juveniles must be to make a greater and greater disparity between accommodation and occupants. This, however, will not in itself allow for the provision of educational facilities for further age-groups. To imagine this is to repeat the error inherent in the census method of determining house overcrowding, which divides the number of persons by the number of rooms without regard to the requirements of age or sex. Most reasonably modern schools are divided into classrooms, and to take in further ranges of ages needs therefore considerable structural alterations to increase the number of these. Although in many towns the total accommodation is sufficient to absorb a larger number of children than there are on the registers, it is this difficulty, among others, of providing additional classrooms which deters education authorities from raising the leaving age to 15. Since children of older ages, however, can safely travel greater distances to school than juniors, only a proportion of existing schools would be in need of this

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structural adaptation. Summing up the position with regard to schools, it may be expected that—

- (a) relatively few schools will be able to be closed merely because of the fall in child population;
- (b) new schools will have to be provided to serve new areas and in replacement of out-of-date buildings;
- (c) replacement schools can in many cases be smaller but, as in the case of schools in new areas, should be designed to accommodate a wider range of pupils;
- (d) many existing schools will need alteration if the leaving age is raised.

If it be assumed that expanding facilities for secondary education are going to be provided, a school population increasing in accordance with the rate of expansion will have to be dealt with. In 1932 only 8.5 per cent. of all children aged 11-17 were in attendance at secondary schools. Of the total number of children at such schools 73.1 per cent. had previously attended elementary schools, 10.5 per cent. of all children aged 10-11 in 1931 at elementary schools (or 9.7 per cent. of all children aged 11-12 in 1932) being admitted to secondary schools in 1932.

The following table gives the estimated annual number of entrants to secondary schools on the basis of various increases in the percentages of ex-elementary school children transferring to secondary schools:—

(In hundreds)

	1932	1937	1942	1947	1952	1957	1962
10.5%	751	600	539	493	455	419	398
15.0%	—	858	771	705	649	598	565
20.0%	—	1,144	1,028	941	866	798	758
25.0%	—	1,430	1,281	1,175	1,082	997	947

If the rate of entry into secondary schools remains as it is now the number of students will thus steadily go down, although, for the same reasons as those which apply in the case of elementary schools, there cannot be a corresponding reduction in either teaching staff or schools. If the rate of entry is to be increased this can be done in two ways: (a) increasing it in inverse ratio to the fall in the number of children aged 11-12, so keeping the flow of entrants constant; or

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(b) increasing it with the specific object of providing secondary education facilities to a much larger number of children. To the extent to which the rate is increased classes will have to be enlarged or new schools built.

It seems clear, to conclude, that for reasons set out above the declining juvenile population will not be accompanied by a coincident fall in the nation's educational expenditure, nor for the same expenditure can our education system be extended and improved. This largely can only be done at additional cost, but as the amount of this is dependent upon factors whose discussion would be out of place here no estimate can be made. So far as elementary education is concerned, however, it may be repeated that at approximately the same cost a considerable improvement may be secured by a gradual reduction in the size of classes.

Housing

There will always be a need for new houses measured by the requirements of shifting populations and the demand for increasing comfort. It is not the purpose of this article to deal with the effects of population changes upon this type of need, but to give some attention to what may be termed the absolute need for houses—the need, that is, for the building of sufficient houses to provide for practically every separate family a separate dwelling. Slum clearance, which is a replacement of bad houses by good ones, not very much greater in number than those demolished,¹ is therefore not under discussion.

It is necessary firstly to consider how closely at present the number of families approximates to the number of separate dwellings. The latest date on which we have exact information is the date of the last census, when the number of such dwellings was found to be 9,402,000 and the number of private families to be 10,233,000, a deficiency in dwellings of 831,000.

This enormous shortage, despite the erection since the war of a million and three quarter houses, was due to the rapid increase in families:—

	Population 000's	Increase	Families 000's	Increase	Houses 000's	Increase
1911	36,136	—	7,943	—	7,653	—
1921	37,887	4.9%	9,139*	15.0%	8,029	4.9%
1931	39,988	5.5%	10,233	12.0%	9,402	18.0%

* Ministry of Health Estimate.

¹ White Paper (Cmd. 4535) of 13th March, 1934, showed that local authorities' slum clearance schemes provided for the demolition of 266,851 houses and the building of 285,189 in their stead, an addition of 6.9 per cent.

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It will be seen that the number of families increased at a much faster rate than the population increased. The deficiency of houses, not inconsiderable in 1911, had multiplied four-fold by 1921, and had been reduced by only a quarter up to 1931. There is not necessarily any constant relation between population and families; the assumption that if one increases the other will increase is not supported by fact. Families that result from marriage constitute the greatest number of families, and a falling-off in the marriage rate may therefore mean a decline in the number of families at a time when the population may be rising.

This faster rate of increase of families than of population is due to two causes. Firstly, the number of people of adult age has increased, owing to the general lengthening of life. This lengthening of life means that each year fewer families disappear as the result of the death of either husband or wife, and new families resulting from marriage tend more and more to be an addition to and not a replacement of existing families. Secondly, as a consequence of the war, an abnormally large number of marriages was contracted in 1919 and 1920. (Though the number was exceptionally high also in 1915, in the two succeeding years it fell considerably below the average; and deaths of soldier-husbands prevented in many cases the establishment of families.)

The marriage rate has remained very stable (with the exception of the years referred to above) since the beginning of the century; the mean rate being 15.5, the highest individual rate being 16.9 in 1923 and the lowest 14.3 in 1926.

Though the population may fall, the number of families will continue to increase (the marriage rate keeping steady) so long as that section of the population represented by young adult persons continues to increase; but there must come a time, in a population diminishing by reason of a declining birth rate, when the falling-off of new marriages due to the declining number of these persons will outbalance the increase due to the lengthening of lives of married persons.

The principal ages at which marriage occurs are 20-35 years; during 1926-1930 approximately 89 per cent. of bachelors and 84 per cent. of spinsters who married were of these ages. Widows and widowers marry at later ages; but as their number is small (9 per cent. of total marriages of men and 5 per cent. of total marriages of women during 1926-1930) they scarcely affect the importance of the age-group 20-35 as a determinant of the total number of families.

Families may also be represented by single persons and by widowed and divorced persons. The number of families consisting of single persons is so small as almost to be ignored; but as the

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number of widowed and divorced persons is 12 per cent. of the number of married persons aged 20-75 they constitute a fairly large proportion of the total of families. No recorded information exists as to the number of these who occupy separate dwellings, and estimates of the number who occupy or will occupy such dwellings must be conjectural.

The following estimate of housing requirements during the next generation measured by the "one family—one house" principle is based on the assumption that separate dwellings will be required by:—

- (1) 50 per cent. of all married people aged 20-75;
- (2) 10 per cent. of all married people aged over 75;
- (3) 5 per cent. of all single persons aged 20 and over;
- (4) 60 per cent. of all widowed and divorced persons aged 20 and over.

Estimated Population aged 20 and over (in thousands).

	1931	1937	1942	1947	1952	1957	1962
Single	7,407	7,993	8,271	8,435	8,464	8,380	8,222
Married 20-75 ..	16,825	17,715	18,302	18,632	18,655	18,428	18,034
.. 75 and over ..	233	268	308	348	388	428	466
Widowed and divorced ..	2,533	2,569	2,659	2,711	2,720	2,694	2,642
Total ..	26,998	28,545	29,540	30,126	30,227	29,930	29,364

Estimated Families (in thousands).

Number of families ..	10,233	10,824	11,190	11,397	11,420	11,289	11,058
Increase or decrease ..	—	+ 591	+ 366	+ 207	+ 23	—131	—231

It will be seen that the number of families will increase, but at a diminishing rate, until 1952, about half of the total increase (1,187,000) being reached by 1937. The difference between families and separate dwellings revealed by the 1931 census was 831,000. If the requirement that every private family shall have a separate dwelling is to be met, therefore, there will need to be built during the twenty years since 1931 just over two million dwellings, approximately 350,000 more than were built from the Armistice until that date, a period of 12½ years.

In the three years ending 31st March, 1934, the number of houses completed was 668,000. This reduced the 1931 deficiency to 163,000; but families increased by 300,000 during the same period, and the shortage was therefore 463,000 in 1934. This figure gives a partial indication of the extent of overcrowding (in the sense of houses being shared by two or more families); but as the problem concerns *existing*

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families it does not come within the scope of a consideration of the demand for houses occasioned by the growth of families in the future. Starting from 1934, there will be a further 291,000 families by 1937, and from that date until 1952 another 596,000. To keep pace with this increase houses will need to be built at the following average annual rates: 1934-1937, 97,000; 1937-1942, 73,000; 1942-1947, 41,000; 1947-1952, 4,500. It is commonly agreed that the greatest need is for houses to let at inclusive rentals ranging from 7s. to 12s. Who is going to provide these houses? The Government has placed its reliance upon private enterprise. Since the withdrawal of the subsidies house building by local authorities (except under the 1930 Act) has practically ceased. On the other hand, during the six months ended 31st March, 1934, private enterprise built 121,000. This is an impressive figure; but unfortunately the building of these houses has had little effect upon meeting the needs of working-class families, as only 13,000 (10.8 per cent. of the total) were to let, and some of these doubtless were at rents over 12s.

To date, therefore, a belief in the capacity of private enterprise to solve the essential housing problem is scarcely justified. It is true that "filtering-up" is likely to be more extensive since the passing of the Rent Restriction Act of 1933; but the rents of many controlled houses are beyond the power of small incomes. The erection of 121,000 houses lessens on paper the gap between families and houses, but if 90 per cent. of them are for sale its practical effect is to increase the number of empty houses whose rents are too high to permit them to be occupied by people who need them and, until the proposed overcrowding legislation comes into operation, to spread out overcrowding in a less acute form over a wider area.

It seems safe to prophesy, therefore, that the main burden of providing the houses to accommodate the rising number of families during the next twenty years will fall upon the local authorities, if only because, as the Minister of Health admits in his 1933 Annual Report (p. 152) they can build to let at lower rents than private builders.

If it be assumed that 75 per cent. of the houses will be required for families that cannot afford an inclusive rent of more than 12s., local authorities will have to build at an average annual rate during the next three years of 80,000 and thereafter at a gradually declining rate until by about 1952 a total of 670,000 has been achieved.

It should be emphasised that this figure is in addition to the number to be provided under slum clearance schemes and to relieve present overcrowding.

One may confess to feelings of depression in concluding from books, articles and speeches on housing requirements that the great

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bulk of our population is to continue to live in houses without the amenity of two living-rooms. That the non-parlour house is the type that will be built is here presumed merely to arrive at an idea of the minimum cost of the programme suggested above.

On the basis of last year's figures the average all-in cost of the non-parlour house may be taken to be £325, and for the house for aged couples to be £225. The total cost of building 670,000 houses 5 per cent. of them for aged couples) would accordingly be about £210,000,000. This, at present interest rates, means, at the rate of building necessary to keep step with increasing demand, interest and loan charges amounting to £1,200,000 in the first year and rising to approximately £10,100,000 during the peak years 1952-1974. How far this expenditure will be met by income from rents will of course depend upon the number which can be let at the economic rent of about 8s. 6d. exclusive of rates.

Social Development

Social Development: Recent Trends in Legislation and Administration

By Miss Z. L. PUXLEY, O.B.E.

[Paper to be discussed at the Northern Regional Groups' Conference at Sheffield, February, 1935].

IT may be assumed that one reason, at any rate, for the choice of this subject for the Conference is that we may all stand still for once and review the position. Instead of being swept along almost unconsciously without thought of direction, that we may look round us and consider "whether on the whole we are getting on and if so where we are going to." We are all so much occupied in patching up an imperfect social structure that I doubt if any of us would find it easy to say what we are aiming at day by day. Yet never were aim and direction more needed and it is clear that there should be some goal set before us in official work as well as in private and personal life. Professor Whitehead has said that "Existence is activity ever merging in the future," and in a sense the activity is moulding the future in which it merges. It is clearly important, then, that we should watch the trends of the legislation which is going in no small sense to mould the social structure of our country as it merges in the future.

In the first place it is necessary to some extent to define the word "recent" for the present purpose. It rules out 1601 and the first Poor Law Act; 1834 and the reform of the Poor Law; and even 1875, with the great Public Health Charter. The war might be considered the most suitable starting point, but on the whole it is more convenient to go back a few years earlier than that, towards the opening of the present century. It is possible to see some fairly well-defined lines in the "trends" which modern social legislation has taken, and is taking, and four have been chosen out of many for the purpose of this paper.

1. PREVENTION

The first main trend which suggests itself is in the direction of *prevention*.

This line divides into two branches—(a) the prevention of sickness, and (b) the prevention of destitution.

(a) Sickness

No doubt the first awakening of the sanitary conscience came before the present century, and I shall not try to trace the progress made in the last century in environmental hygiene which brought with it the passing of diseases common in the days of inadequate or non-existent sanitation, nor do more than refer in passing to the decrease in tuberculosis aided by the later measures to prevent infection of "contacts" and to the wonderful reduction in crippledness through the orthopaedic schemes for which, where they are fully worked, it is claimed that they have made adult cripples almost unknown. No better illustration could be given of the preventive "trend" in legislation and administration than the measures taken for the welfare of the mothers and babies. Whilst medical services are still, in the main, a private matter, the nation's need for a healthy community was made so clear in the great war that there was a real demand for financial aid towards and official encouragement of the baby-saving campaign already begun by voluntary effort.

It has been said that in the South African war it was discovered that every soldier was once a school-child, and the presence of large numbers of C3 recruits led to the school medical and school feeding services under the Act of 1907. So, in the great war, it was recognised that every school-child was once a baby and the Maternity and Child Welfare Act of 1918 followed. It is never easy to decide the priority of hen and egg, but both were included in that Act, and even though maternal mortality continues to puzzle the experts, the falling infant mortality rate bears testimony to the success of the "push" for the provision of educational and other facilities for mothers, of infant welfare centres and, above all, of health visitors who are now within reach of every baby born and form perhaps the most formidable army of "preventers" in this country. Although many forces have combined to reduce infant mortality, the preventive movement may claim at least some part in the halving of the rate in 20 years. And within this trend there is another in the handing over of fuller responsibility by the Central Government service to the local. The system of percentage grants, so valuable as a lure to draw reluctant authorities on to perform duties which are only permissive, loses its usefulness when the civic conscience is roused and the service well established. Now that percentage grants are merged in a block grant, there is a wide field for local initiative and enterprise in the baby-saving campaign with little central control or shackling regulations. There is another yet more debatable development illustrated in the maternity and child welfare movement in the gradual taking over by the official forces of the voluntary efforts previously made. This is a matter

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which deserves serious consideration both in its present manifestations and its probable results. Recent returns have brought some startling figures to the notice of the public in the cost of social services which are likely to be more expensive when they are publicly financed and also, of course, more extensive than when carried on by voluntary funds. The startling figure of £490,000,000 as the total expenditure on social services in 1931-32 is one worth consideration however much the value of the services may be recognised.

(b) Destitution

Closely allied, though necessarily different in organisation and scope, are the measures for the prevention of destitution. These are embodied in the great system of social insurances inaugurated in this country first by the preliminary and partial Unemployment Insurance, and in 1911 by the National Health Insurance Act, which has led to a gradual safeguarding of the working population from the nightmare of being overtaken by any of the most usual ills that flesh is heir to. Following insurance against sickness came the development of the measures for insurance against unemployment which have been constantly altered and extended up to the present day. In addition to the earlier Workmen's Compensation Act, which secured the employee against loss due to accident, and the Old Age Pensions (Non-Contributory) Act, we now have the Widows', Orphans' and Old Age Contributory Pensions, so that some provision is made for sickness, for unemployment and for old age, and for the widows and orphans.

At an International Conference in Paris in 1928, this subject was under discussion, and it was interesting to find how prevention in the form of social insurance was spreading all over Europe. Our French colleagues were at the time thinking out some methods of insurance on the same three-party lines as our own, with contributions by employers, employed and the State, and frequently referred to the English example in what they called "le self help." It was perhaps even more astonishing to find that this idea had not reached America, where voluntary aid was still the only resource for the unfortunate or the destitute. Professor Nevins, however, who was recently in this country from Columbia University, said in one of his lectures that President Roosevelt regarded unemployment insurance as demanding immediate national action, though the measure would probably be on slightly different lines from those followed in Europe.¹ He thought the high cost of relief a strong argument in favour of a national system of unemployment insurance. But whilst there is every reason to be

¹ Later pronouncements show that a number of other solutions, or palliatives, are under consideration.

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thankful for the "provident" element introduced by insurance, it is a disconcerting fact that in this country it has in only a small measure done away with the necessity for relief. This introduces another definite "trend" both in legislation and administration which may be called *the more sympathetic attitude to the poor* as shown in the changes in the administration of relief.

2. ADMINISTRATION OF RELIEF

It is interesting to consider the reasons for these changes, and I hope that more will be given in discussion. One can put a certain amount down to an awakened social conscience which no longer tolerates that any of our countrymen shall suffer unduly because they are unable to maintain themselves and their families. We may also assume that education of the people themselves has enabled them to demand better conditions and a higher standard of living, which demands are now made vocal by a wider electorate and their representatives in the House of Commons.

The most significant point from which the changes in law and in administration have come is the Poor Law Commission of 1909, which brought out the need for reform and made a fresh starting point. It is easy to find the influence of the Commission's report, both majority and minority, in the Local Government Act of 1929, which transferred the administration of the Poor Law from the Boards of Guardians to the County and County Borough Councils. Although the Poor Law was not changed in essence, one of the main objects of the Act was to make possible the break-up recommended by the minority of the Commission and to deal with special classes of persons under powers given in special Acts rather than under the Poor Law. Since then, the changes in administration have been great and are progressive. Mental defectives are increasingly separated from the Poor Law and dealt with under the Mental Deficiency Act of 1913. Blind persons, who had their own special Act in 1920 with their pensions at 50, are dealt with in the main under the special Act, and children are handed over, so far as possible, to the education authorities and taught in the local schools with the other children of the district. The residential homes must, for the present, remain under the ultimate control of the public assistance authority since education authorities have no power to maintain normal children, but even so, in many districts the actual management of the homes is assigned to the education department. The unemployed who have fallen out of insurance have gone through a series of changes and after wandering through the machinery of the Poor Law for the calculation of their "transitional payments," are now safely landed within the fold of

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the Unemployment Assistance Board, or will be by the time this paper is discussed. It is not too much to claim that, in addition to a more humane attitude, there is also what we may call a more scientific element in relief administration. The wider area brought about by the transfer to county councils and made possible largely by increased ease of transport has made classification in institutions possible, and few will weep for the old "general mixed" work-houses which are gradually giving place to old people's homes and other institutions specially designed for the class of case to be accommodated. Above all, those who are sick as well as needy will be treated for their sickness rather than their destitution, and housed in special hospitals no less efficient than those originally designed for a less unfortunate section of the community. Whether the disappearance of any kind of "deterrence" and the abolition of any stigma attaching to those who live on their neighbours is an unmixed advantage it is not the purpose of this paper to discuss, but probably in the North Country, at any rate, there would be something said on both sides, and by the poor as well as the more prosperous section of the community. The trend, however, is clear, and, so far as it affects the old and the helpless and the little children, there must be few who will not rejoice in it.

3. STATE INTERVENTION

The third trend is the *progressive invasion by the State of the private life of the individual*. This is, of course, no new matter and began with the abolition of "laissez faire" and the coming of regulations to prevent exploitation of the weak by the strong. The employment of children as chimney sweeps and in other dangerous trades has disappeared. Children have been protected even against their own parents and must be "educated" whether they like it or not, whilst factory legislation has controlled the hours and conditions in the dressmaker's workroom as well as in factory and laundry. The property owner is obliged to "set his house in order" in the fullest sense and, by the time this paper is discussed, it seems probable that the House of Commons will be considering how many people may be allowed to live in what used to be regarded as a "private" room without overcrowding.

In addition to the more personal aspect of this "trend" there is a collective one in the increase of State interference in enterprise and in services of general utility. Sir Arthur Salter recently suggested in a broadcast address that there was useful scope for an extension of direct control by the State in such essential services as transport and need for official regulation even where the methods of private enterprise and the fluctuation of price with demand were still held to be

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more suitable. Whether this is a real trend and, if so, whether it is one for encouragement or the reverse is another important matter for consideration.

Since the title of this paper refers to administration as well as legislation, it may be well briefly to consider a domestic matter showing another distinct trend in local government.

4. LOCAL GOVERNMENT AREAS

Re-adjustments in Local Government Areas

It has recently been said that the tendency in the present age is definitely towards size, and it is necessary that man should adapt his institutions to the change in circumstances. There is also a natural demand for expert and specialised services which can only be met by pooling.

The recent reviews of counties have resulted in fresh combinations and in the provision of better resources for modern functions. The process of change has brought to light fresh possibilities both of co-operation and of what has been called "integration" of one authority by another for special purposes. It would be pleasant to be able to remark on a tendency to closer and more cordial co-operation between neighbouring authorities generally, but it is to be feared that this might not be found to be sufficiently in accordance with the facts.

It can hardly be that the final step has been taken here, for England shrinks day by day, and the tendency to wider and wider areas, at any rate for some purposes, is one which is induced by outside circumstances rather than evolved by legislators or administrators.

Size and speed are closely related, and it is clear that government whether local or central must keep in step with the people it exists to serve, and that step has become a quick step.

It will be interesting to hear the views of some with wider and longer experience than the writer on these trends and where they are leading, whether further on in the same direction or, perhaps, with an inevitable swing of reaction back on their tracks. And so we come round again to the starting point of this paper and the question of the goal set before us. Perhaps, after all, it is not a fixed point to which the roads are leading, but a circle. It may be true that "The future does not come from before to meet us but comes streaming up behind over our heads."

Recent Trends in Legislation and Administration

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[Paper to be discussed at the Northern Regional Groups' Conference at Sheffield, February, 1935]

IT is a truism that needs no emphasis that the activities of the State have in modern times increased, and that spheres of action, which to earlier generations would have appeared to be altogether removed from the shadow of government, have been brought under the closest State regulation. This development may be seen at a glance to take two forms. In the first place the services provided by the Government itself or by the local authorities, through whose agency a system of local self-government is carried on in England, have widened in scope and increased in number. Secondly, the State has utilised its power indirectly to enlarge its sphere of action by providing for the regulation of many forms of economic and even social activity which are not carried on by itself or any of its own subordinate organs. Examples of the first class are to be found in the vast system of social insurance and the introduction of such locally administered services as town and country planning, while the second class may be illustrated by the provision of means for regulating the coal mining, road transport and farming industries and the legislation affecting wireless broadcasting and betting and gambling.

The reasons for this wide extension of the State's field of action are considerable in number, and some are by no means obvious at first sight. Collectivism, which Dicey defined as "faith in the benefit to be derived by the mass of the people from the action or intervention of the State even in matters which might be, and often are, left to the uncontrolled management of the persons concerned," at once explains the whole movement and provides a reason for it. The belief in collectivism has grown from small beginnings in the latter half of the nineteenth century, until it has become the dominant note in policy and has apparently been accepted by every political party. At first appearing as a reaction against the worst manifestations of the unadulterated individualism of politicians and economists of the *laissez*

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faire school, it showed itself in such remedial legislation as the Public Health Acts and the earlier housing legislation, narrowly confined to the provision of services, which private enterprise could not hope to furnish, at least uniformly, throughout the country, and to the suppression of the more glaring evils produced by that sturdy individualist, the speculative builder. This taste of collectivism proving at once satisfactory and workable, the next stage of its development seems to have been based on the principle of attempting to cure the fundamental defect which prevented an individualist philosophy from working smoothly in practice. So long as the labouring classes were deprived of that security in life which the possession of capital secures, freedom of contract and the very dogma of *laissez faire* were in fact unattainable. Hence collectivism attempted to provide by the help of the State that independent economic position and equality of bargaining power whose existence individualism pre-supposed. Legislation conceding and fortifying the principle of collective bargaining and providing security against industrial accidents, ill health, old age, death and unemployment, became the dominant note from the end of the nineteenth century until the War. After the War collectivism seems to have entered upon its third stage. No longer is it confined to correcting either the practical working or the theoretical foundation of a worn-out individualism, but it has come to mean the positive interference by the State in all and every activity of man where the use of its power can be thought of advantage either to the whole body of citizens or to any large section of their number. An individualist regarded the scope of State action as properly confined within the narrowest possible bounds; the less law there was to interfere with the liberty of each subject to find happiness after his own heart, the better for the whole body of the nation. Modern collectivism, however, regards the State as wiser than its subjects and exalts the power of Governments as a means of regulating or planning the activities of their citizens; like the kings of the Gentiles "they that exercise authority upon them are called benefactors."

This last stage in collectivist legislation is not to be explained solely as a natural development from its earlier phases. Undoubtedly the experience gained during the War has had a profound effect in accelerating the pace. During that struggle Government control had necessarily to be extended over almost the whole course of the national life, and, though on the restoration of peace the control was relaxed, the hastily improvised machinery had proved that the State was capable of undertaking many hitherto unimagined activities, and that indeed it was essential that such a course should be adopted in times of crisis. Since the War a period has passed at almost no moment of which could the element of crisis be regarded as entirely

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absent, and the continued presence of the evil of unemployment, accentuated more recently by the general economic depression throughout the world, has inevitably led to the lessons learnt in the War being put into practice.

But other factors have assisted in the same development. The changes in social and economic habits and the general rise in the standard of living, resulting from the application of the discoveries of science, have powerfully aided in the demand for new services. Such services frequently can only be efficiently undertaken on the basis of monopoly, and this fact, by suggesting the dangers inherent in putting an exclusive right to provide what is regarded as an essential service into private hands, has strengthened the arguments in favour of public ownership or control. Again the vast and often inter-locked aggregations of capital and of labour have made the fate of industries almost coincident with that of the nation itself. Hence the lack of effective organization and the evils resulting in modern conditions from unrestricted competition when pushed to its logical conclusion have necessarily induced Governments to provide for the regulation and control of economic activities on a great scale. Other problems, also legacies of individualism, have needed the power of the State for their solution. In an age when industrialists were encouraged to believe that the rigid pursuit of their private interests adequately fulfilled their whole duty to society it was natural that they should leave out of account the social difficulties which the rapid growth of industry was causing. To-day the State is the only instrument capable of effectively rectifying these mistakes, and has for example, at enormous cost, to solve the housing problems which nineteenth century industry left behind it. Lastly, familiarity has led to extensions to spheres where Governments might still be thought fearful to tread. Such matters, at first sight pre-eminently for individual judgment, as beauty and amenity, or for individual fancy, as sports and pastimes have come under more than the State's mere approval or disapproval, and are the subject of positive regulation and planning.

This great growth in collectivist legislation involves a re-definition of the meaning of "government." No longer is government confined to the restraint of excesses and the repression of obviously anti-social action, the holding of the ring and the maintenance of a fair field and no favour. Government now extends to the provision directly or indirectly of essential services, and the word "essential" has come to indicate much that earlier generations would have regarded as the most costly luxuries, if not the wildest phantasies of imagination. Vast pension and insurance schemes, the relief of destitution, the safeguarding of health, the provision of education,

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such adjuncts of civilisation as water, drainage, gas, electricity, housing, motor roads, the preservation of amenities and the orderly planning of building development are all undertaken directly or indirectly by the State. Again the organization of basic industries, such as agriculture, road transport and coal mining and the regulation of their development has been forced on the State. Even the determination of the mutual conflicts involved in industrial growth is not excluded from the sphere of the State's activities. Apart from the power to foster or discourage which the adoption of a tariff policy indirectly renders possible, the State has provided directly for the planning of the scope of action of conflicting industrial evolution in such legislation as the Road Traffic Act, 1930, and the Road and Rail Traffic Act, 1933.

The State has definitely, for better or for worse, entered into the economic arena, and, itself one of the largest employers, is no longer content merely to enforce the provision of adequate safeguards for labour, but is ready to assume the responsibility for directing the future economic development of the community.

This novel and rapid increase in the activities of the State has raised many problems of both theoretical and practical application, but one problem which is germane to the present consideration is of paramount importance. It is the fundamental question of how this great amount of work is to be done. The details of administrative practice are outside the scope of this paper, and the present writer feels unqualified to discuss them, but the broad outlines of the machinery employed are proper to a consideration of the modern trend of legislation. In this respect it is essential to trace briefly the development of what may be called in a broad sense the machinery of government, so that the organization available for the extension of the State's activities at the beginning of the twentieth century may be appreciated in its relation to the present problem of the rapid extension of those activities which has taken place since that date.

In the eighteenth century, though the beginnings of individualism were already felt, yet on the whole a static position prevailed in regard to the scope of government based on an organization already regarded as traditional. Parliament made what law was necessary to the orderly every-day administration of the country or was called into existence by the pressing problems disclosed by the times. Parliament was not only the central pivot of the Constitution, but the law it enacted was largely regarded as sufficient in itself, not requiring, save in exceptional circumstances, the positive assistance of the administrator in order to see to its efficient working. Primarily the law once made was left to the citizen to obey, the Courts being considered an adequate safeguard against its violation. Law was

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essentially a series of rules of conduct imposing itself directly of its own automatic operation upon the body of subjects to whom it was addressed. What little law required day-to-day administration—and it was almost exclusively confined to the law relating to certain locally administered services such as poor law and highways—was placed under the control of justices of the peace or specially created local bodies, such as turnpike trusts. The central executive organs of government were rudimentary and exercised little influence on internal affairs.

The nineteenth century approached the reorganization of the existing machinery with two principles to serve it as guides in the work. Democracy it embraced, not only in its reform of the law-making Parliament, but also in its creation of elected local authorities to administer the new services it heaped upon them. In the second place what Bentham called "the principle of inspectability" was after a struggle adopted, and the executive government was greatly extended and given wide powers of controlling the administration of the scattered local authorities. This second development, which at first blush might appear to run counter to the democratic principle in that control over elected bodies was exercised by permanent civil servants, was however reconciled, in a manner now become traditional, by pointing out that the central departments were each controlled by a Minister, who through the Cabinet was politically responsible to the House of Commons and hence to the electorate.

The growth of locally administered services, which was the main contribution of the nineteenth century, produced three results which are still in varying degrees apparent at the present day. In the first place, the expedient was adopted of creating *ad hoc* local authorities, each administering one or more services without relation or co-ordination with each other. The latter part of the nineteenth century saw the commencement of a process, only completed in 1929 and 1933, of rationalizing local government into a definite and universal hierarchy of local authorities, so that the earlier confusion was abolished. In the second place, the finances of local bodies proved incapable of sustaining the continued increase in the services imposed upon them, and the system of grants in aid paid out of the central funds of general taxation at once complicated public finance and introduced a subtle and effective method of increasing central control. Thirdly, the growth of the machinery of administration had a reflex action on the form and effect of the law itself. Legislation came rapidly to assume the form of the grant of powers in place of the prescription of general rules of conduct. Thus it took on the appearance of loose outlines, only capable of being filled in by the exercise of continually growing discretion.

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This last aspect of the law itself has most obviously influenced profoundly the course of development in the twentieth century. Parliament in appearance still makes law, but often its enactments are mere skeletons conferring powers of the widest types. Parliament has certainly no longer the monopoly of law-making, and, though it is still the fountain head from which legal powers must ultimately flow, the greater bulk of law which governs the public administration of the country is now the immediate product of persons and bodies to whom powers of legislation have been delegated. This fact, as well as the ever-widening discretionary powers conferred by modern legislation, has resulted in difficulties when the legality of the acts of public authorities has been questioned in the Courts, and these difficulties have led in turn to experiments in diminishing the sphere of action of the regular judicial organization of the country, and the creation in its place of special machinery for the settlement of disputes. Thus a typical piece of modern legislation has not only to define the authorities to administer it, and to confer the powers necessary to attain its ends, but also to prescribe in what way disputes arising out of its administration are to be determined.

The orthodox view of the administration of the country at the present day may thus be summed up as composed of three elements, each taken from the ideas of a different century yet each profoundly influenced by the developments which have later taken place. The ultimate source of law is Parliament, though all law is not made by it. The administration of national services is in the hands of the Executive, which through the Ministry is subservient to Parliament. The Executive has also acquired great powers of control, both legislative, administrative, and even judicial, over the democratic local authorities responsible for the actual working of locally organized services. In addition the control formerly exercised by the Courts has greatly diminished, and their sphere of action in regard to public law has been curtailed.

But this, though still in large measure the orthodox view of the machinery of government, is by no means the whole of the picture. Profound changes have taken place both within and without the field of local government, which, though they may yet be impossible of arrangement into any systematic whole, may at least illustrate the tendencies of the present day. As already suggested the provision of even widely increased services is no longer the sole extension in the scope of government, and the State's intervention in other spheres of activity has called into being new organization illustrating a shift of principle which must be examined before the orthodox view is accepted as necessarily still correct.

The problem of the machinery to be used for the provision of

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services and for the regulation of economic and social activities is closely connected with the question of the areas within which these undertakings are to be operated. In both these problems there is involved an inherent antagonism between uniformity and diversity. Uniformity is demanded both by considerations of the attainment of a national standard of endeavour as well as by symmetry of organization, while diversity may arise from the necessities of special local conditions or the dictates of efficiency. Regarded solely as a problem of the areas within which services shall be provided, these considerations have in modern times, now that a regular and uniform scheme of general local authorities has been achieved, come to assume the position of first importance. The question whether a new service shall be administered locally or nationally is obviously influenced by the distribution of the existing local authorities. Their areas may prove to be too confined or determined by considerations of convenience for the administration of other services bearing little relation to the wants of the new service to be introduced.

Areas based historically upon the convenient administration of public health services or upon traditional divisions of the country are by no means necessarily the most efficient for the organization, for example, of education or town and country planning. Hence, even within the field of local government various expedients have had to be adopted to obtain efficient areas. The existing hierarchy of local authorities has been maintained in the face of these difficulties only by resort to the widest powers of creating joint boards or joint committees, so that in fact, though not in theory, existing boundaries may be disregarded. The desire to obtain efficiency of area has again been one of the reasons leading to the marked preference for the larger authorities at the expense of their smaller and more circumscribed colleagues. Again in one exceptional case, that of land drainage, the wholesale creation of frankly *ad hoc* authorities, controlling areas bearing no relation to the boundaries of local government, has occurred as recently as 1930.

But this has assumed that a service was to be locally administered, and logically the determination of the question whether this should be so must come first. Where uniformity of treatment is of paramount importance, administration by the Central Government, even through the medium of widely scattered subordinate officers on the analogy of the Post Office, has been chosen, as is illustrated in a general way in the legislation relating to social insurance and employment. Even where this desire for uniformity points to national administration, history has sometimes triumphed to preserve so far the claims of local government to continue to keep the service within its field. This explains the still existing local administration of police forces in face

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of a considerable feeling that a greater degree of co-ordination and uniformity is desirable. On the other hand, where local diversities appear to need emphasis rather than national uniformity new services have in the past been entrusted to local authorities.

It may be doubted, however, whether this latter method of providing for new services is still popular, and it may even be suggested that the powers of the regular local authorities are on the wane. If the transfer of the poor law from the guardians be excepted, it may be asserted that no new service of major importance has been cast upon local authorities since 1919. The newest service, housing in its modern sense, dates from that year, though even housing had its roots in the nineteenth century. Town and country planning, the other service wearing the appearance of modernity, was first introduced in 1909. Admittedly there has been an increase in powers since 1919, but these new powers are merely in amplification or extension of existing services. This disbelief in the use of the regular local authorities rests on several reasons. In the first place, the authorities are themselves reluctant to accept the onus of maintaining new undertakings, partly on the ground of expense or the fear that this deterrent will only be removed by a system of grants in aid curtailing their autonomy, and partly on the fact that their unpaid members already find their time overburdened. In the second place, local authorities have not proved satisfactory agents for administering services which involve matters of strong political feeling, as the unfortunate history of the "means test" shows. Lastly, local authorities in modern times have not in general shown themselves to be even efficient in meeting the calls of new services. They are mostly greatly behind-hand with their planning schemes and their administration of housing since the War has needed the most energetic pressure from the Central Government even to achieve the results which have now been produced. Indeed, in the light of this experience it might be said that so far from any tendency being apparent to increase the services administered by the regular local authorities, there is already a tendency to relieve them of some of their existing obligations. They have now been deprived of their duties in regard to transitional benefit, and there are proposals mooted to take away from them the administration of housing. This development towards national rather than local administration must, it would seem, continue to grow. The quickening of the means of communication has already, in effect, made the country smaller than it formerly was, and will progressively encourage the demand for services to be administered on a national basis.

Before discussing in detail the closely related problem of machinery, it is important to emphasize the present tendency, which

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is in reality startlingly modern, to require machinery for the administration of the law. As has been said, the eighteenth century in general preferred to employ automatically operating legislation, and it was only the nineteenth which proved that in general public law was more efficient when some administrative machinery was employed to see to its continued exercise. As a comparatively modern illustration of self-acting legislation may be taken the provisions of the Workmen's Compensation Acts, first introduced in 1897. They proceed upon the assumption that a general rule once laid down can be left to the interest of the individuals concerned to see to its due observance. The ordinary judicial machinery, which was to be employed to settle disputes, was simplified on the ground of the expense in enforcing claims, which might otherwise press too heavily upon the injured workman, and the County Court judge, who was to determine the compensation, was to be styled an arbitrator. Legal formalism and consequent expense have proved this last expedient little more than a pious hope, and the heavy litigation frequently involved has only been rendered possible by the fact that it is in practice carried on between the employer's insurance company on the one side and the workman's trade union on the other. Could it be doubted that, had workmen's compensation to be introduced for the first time at the present day, this simplicity of machinery would have been replaced by a system of contributions levied on all employers of labour by some offshoot of the Government which would have had power to prescribe rules and to determine judicially the compensation to be paid?

This present-day love of machinery is even illustrated by some examples in which it seems that the principle has become a dogma to be applied in all cases, even though it should produce absurd or worthless results. The Rent Restriction Acts continued for long to be self-acting, until in 1933 legislation required local authorities to maintain a register of certain properties claimed to be thenceforth de-controlled. But there is no guarantee that the register is accurate, so that registration under the Act is merely a preliminary fence which must be cleared by an owner who wishes to obtain possession of his property.

The great use made of the advantages, which the creation or employment of what has been called machinery for the administration of the law has caused, is characterised by the greatest lack of uniformity in the detailed application of the principle. Machinery seems to have been employed or extemporised in the most empirical manner. Leaving out of account the sphere of local government, where the employment of the existing local authorities, either with or without some peculiar provisions as to the use of committees, or the creation

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of new *ad hoc* authorities are the only expedients which can be adopted, the services which are administered or the activities which are regulated and controlled on a national basis are dealt with in a bewildering manner without the apparent observance of any principle or the perception of the grave constitutional problems involved. It is only by concrete example that the present formless development can be illustrated.

Workmen's compensation is still administered, if administration can properly be said to belong to its operation, in the traditional manner throughout the Courts, but the social insurance services are controlled by the appropriate Departments of Government complete with their own judicial machinery. Akin to them the poor law is still within the field of local government, but the relief of permanent unemployment is now removed both from the insurance scheme and from the local authorities in order to be entrusted to an independent statutory authority, the Unemployment Assistance Board. In the public control of industry a comparable diversity is to be noticed. Telephones and the telegraphs are still undertaken by the Post Office, wireless broadcasting by an independent statutory body, the British Broadcasting Corporation. The regulation of road transport, whether of passengers or of goods, is regulated, and its relation to the older system of transport by railway is governed by semi-judicial traffic commissioners, exercising wide licensing powers. But another diversity is to be noticed—the Legislature has even gone further and is prepared to place great powers of control and regulation, involving even the grant of monopolies, in the hands of bodies representative only of the industrialists themselves, as for instance, Marketing Boards under the Agricultural Marketing Acts. This very lack of principle seems to point to the conclusion that the present is a transitional period of experiment, and that the settled contribution of the twentieth century to political theory has still to be found and proved. But already it may be said that some characteristic features of the post-War legislation can be seen.

The resort to the use of independent statutory bodies, whether to obtain public ownership or control or to permit of commercial organization on behalf of the producers themselves, may be regarded as the typical tendency of modern legislation. It may be illustrated by merely mentioning the names of the Unemployment Assistance Board, the British Broadcasting Corporation, the London Passenger Board, the Racecourse Betting Control Board, the Central Electricity Board, the various Agricultural Marketing Boards, and the bodies in such complicated inter-action under the Wheat Act of 1932. Truly if America has adopted Government by alphabet with its A.A.A. and N.R.A., we already approach it in our own B.B.C. or

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P.T.B., and time may soon familiarize us with our U.A.B. or our R.B.C.B. In adopting the practice of their creation and employment the politician is avowedly attempting to keep the matters they control out of the sphere of politics, and is so, though unavowedly, admitting his distrust of democracy when faced with problems of the administration of vast organizations. But the matter cannot simply be dismissed by a catalogue of the conveniences of non-political administration, nor can public control be adequately ensured by the advisory committee, the modern counterpart to older theories of representation. Public control over these statutory bodies is likely to prove at once the greatest constitutional issue and the most urgent practical problem their growth introduces.

Curiously enough the constitutional problem of securing adequate control over such non-political bodies, though it seems to have been largely forgotten, arose one hundred years ago. The Poor Law Amendment Act, 1834, set up just such a body in the Poor Law Commissioners. Walter Bagehot, in words which seem to forbid for ever the further attempt to revive such an experiment, has explained the way in which the Commissioners, simply because they were not directly responsible to Parliament, failed in carrying out their task, and had to be replaced in 1847 by the Poor Law Board under a Parliamentary President, who could appear in the House of Commons to explain and defend the actions of the Department. Yet in spite of this warning, at the present day legislation evinces a settled desire on the part of all parties to copy the system of organization which led to the downfall of the Poor Law Commissioners. Perhaps it may be suggested that the explanation is largely to be found in the fact that Bagehot did not penetrate deeply enough into the reason which led to the supersession of the Poor Law Commissioners. They were created expressly to carry out a most unpopular reform, the stiffening of the rigours of the poor law, and, though possibly the majority of the individuals with whom they came into contact had no power to control votes, yet their unpopularity and the consequent agitation of their operations called into being were the results of their attempts to perform their inevitably distasteful duties. This raised the very question of their continued existence to the level of a major political problem, which could not have been avoided by the mere presence of one of their number as a member of Parliament politically responsible for their administration. Unlike the Poor Law Commissioners the modern statutory bodies are on the whole designed to perform popular rather than unpopular measures, and by, at any rate, a tactful performance of their work they may remain free from the danger of general dislike.

There still remains, however, the question of how far an adequate

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public control can be exercised over these statutory bodies at the present day. In general it may be said that they are so placed that their activities will not involve any Minister in responsibility to the House of Commons, since they have been carefully excluded from the field of politics. Parliament may of course by express legislation destroy them or limit their powers, but the extent to which their every-day administration can be subjected to a Parliamentary criticism, comparable to that exercised over the Departments of Government, is uncertain, and may prove to be a question the solution of which will show these bodies to be the real manifestation of a new bureaucracy.

Bentham's Influence in Municipal and Poor Law Reform

By A. L. DAKYNS, M.A.

WHEN celebrations are held this year in memory of the Municipal Reform Act, 1835, perhaps a tear or two—even if they are only crocodile tears—might be shed in remembrance of that other, no less famous, joint product of Benthamism and the Reform Parliament—the Poor Law (Amendment) Act of 1834. For this Act missed its centenary celebrations. Why? Perhaps because it had—like other measures of economy—a bad press from the start, and, in its old age, encountered the studied censure of a Royal Commission; or perhaps because all the original machinery of administration had, bit by bit, been scrapped—the Poor Law Commission in 1847, the Overseers in 1927, the Boards of Guardians in 1930.

A different fate awaited the new municipal code inaugurated in 1835. The basic plan of reform underwent no essential change as the years passed. In structure the original 178 boroughs, scheduled to the Act, differed hardly at all from their numerous descendants; but in function, in administrative complexity, in financial strength, the progress was continuous. The situation which developed had but one serious drawback from the point of view of local autonomy and municipal self-dependence: the addition from time to time of new functions established fresh points of contact with government departments and intensified the shadow cast by Whitehall.

If Joseph Parkes of Birmingham were here to survey the fruits of his labours in the cause of municipal reform, he would certainly take alarm at the amount of correspondence passing each day between Whitehall and the provincial cities. "Is this what it has all come to?" he might ask, "Did I work for self-government in the boroughs on a ratepayers' franchise only to find them turned into agencies for Westminster and Whitehall?"

"Your fears," we might reply, "are misplaced. It is the economic and social needs of the municipalities which keep an army of government officials running hither and thither. That Borough Fund of yours is nowadays replete with monies, contributed by the

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general taxpayer, on a scale which works out at not much less than one pound for every pound raised locally. Your boroughs are to-day just as powerful as were their predecessors in the sixteenth century. They tell the Government what they want, and the Government in golden speeches (like the famous one of Queen Elizabeth) yields gracefully to their demands! Birmingham, and its like, call the tune and the City and West End of London (or wherever else rich people are to be found) pay the piper." That is how we might address him, but, it is to be feared, he would not be wholly convinced even then.

In the drama of municipal reform (his letters to Lord Durham show how vividly he dramatised the situation), Joseph Parkes played a double rôle, similar to that of Chadwick on the poor law stage. Both men were creators of a new policy, and both, having won the consent of Parliament to their policy, became administrators of it. The rôles of Prophet and Scribe were in both cases combined.

But Parkes as Scribe had a much lighter part than Chadwick. Once he had got his borough machinery going—councillors, charitable trustees and auditors elected—he could stand aside and "watch the wheels go round." Chadwick, on the other hand, from his room in Somerset House (where he served as Secretary to the Commissioners) had not only to get his Boards of Guardians elected for appropriate areas—a lengthy process—but, once they were in being, he and his Commission had to keep them on the right path by means of inspection and the issue in an endless stream of orders and circulars.

The simplicity of the municipal code stood out in sharpest contrast to all this complexity. Central control was here reduced to the bare minimum of ensuring that the general bye-laws which a town council proposed to make were reasonable, that proper accounts were kept and submitted for information in London, and that the corporate property was not, without Treasury sanction, alienated. Clearly the principle of the whole thing was that Parliament expected the councillors to do their duty by the ratepayers since the ratepayers elected them for that purpose and could in the course of three years put them all out of office by refusing to re-elect them.

It has always been something of a puzzle, especially to foreign observers, why these two statutes, both government measures, passed about the same time, should have embodied such divergent principles of administration. The puzzle is even more perplexing when one realises that the two chief protagonists in reform, Chadwick and Parkes, were, each in his respective field, inspired by Bentham. That both men were in close association with him during those last years of his life (when reforms, administrative as well as electoral, were much in the air) is certain (*vide* Halévy's "Growth of Philosophic

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Radicalism," p. 512). The problem is therefore one of which the solution must be sought further back—in Bentham's own views.

Bentham died on June 6, 1832 (the day before the great Reform Bill was placed on the Statute Book) at the mature age of 84. Almost to the end he was (in his own phrase) "codifying like a dragon" (that is, working on his *magnum opus*, the Constitutional Code); and although, according to Bowring, his executor, his faculties showed decline during the last years of his life, there seems no particular reason why he should not have lived a few years longer. Supposing he had, what would his views have been regarding the two statutes in question? A review of the statutes from this standpoint is surely well worth making.

But, first, how precisely did Bentham view the possibility of improving the economic and social conditions of individuals by governmental means, whether legislative or otherwise?

This question should be easy to answer because with Bentham one is not, as with most writers of his calibre, faced with the difficulty of reconciling inconsistencies and changes of opinion. His writings penetrate into many fields of thought—law, psychology, ethics, politics, public administration, but although they extended over a period of about sixty years, the thought which inspired them remains essentially single and unique. Where others discard and contradict what they have said formerly or else, like Robert Owen, merely repeat what they have said many times already, Bentham integrates continuously, like an architect of genius who, in making additions to a structure uses them to bring out features latent in and essential to the unity of the original plan.

Certainly the question is not easy to answer if one looks for an answer to it in the current interpretations of Bentham, such as Halévy's "Growth of Philosophic Radicalism," Bertrand Russell's "Freedom and Organization," 1814-1914 (Chapters IX-XII), and G. D. H. Cole's "Some Relations between Political and Economic Theory." For these studies are all of them more concerned with "Benthamism" than with Bentham. They are dangerous reading because they tempt one to attribute to Bentham ideas which his associates and followers have derived from other sources. Bentham's own works are the best antidote for Benthamism.

As J. L. Stocks pointed out in a lecture on Bentham (the Samuel Hall Oration) in 1933, there has been a tendency (possibly encouraged by J. S. Mill) to treat the reforms which Bentham initiated as "mainly negative in character, consisting in the removal of harmful restraints and inherited abuse." It was Dicey who in his "Lectures on Law and Opinion in the Nineteenth Century" more particularly elaborated this negative and *laissez-faire* element in Benthamism.

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Dicey, it will be remembered, contrasts the period of Benthamism or Individualism with the succeeding period (commencing about 1868) to which he gives the name of Collectivism or Socialism. The strongest expression of this same view is put by Cole in the recent work mentioned above. "Bentham, he says,

"regarded the State as chiefly a coercive and law making and police organization qualified to impose penalties far more than to offer rewards and having the task of removing, either by interference or by refraining from it, hindrances to happiness rather than of making men happy by the positive provision of pleasure This coercive view of the State's power lies at the root of Bentham's *laissez-faire* attitude, as it does of Adam Smith's in its specific application to economic activities His (Bentham's) doctrine was directed far more to the removal of established abuses than to the replacement of old institutions by new." So much for the interpreter! Here is Bentham himself in

"Principles of the Penal Code," Chapter XIX:—

"Government ought not to do everything by force; it is only the body which submits to that; nothing but wisdom can extend its empire over the mind. When a government orders, it but gives its subjects an artificial interest to obey; when it enlightens it gives them an interior motive the influence of which they cannot evade."

That it is the business of government to *enlighten* and by means of what he calls "indirect legislation" to dispose man "to obey the law, to shield him from temptations, to govern him by his inclinations" is a view on which Bentham is constantly insisting. What might be called the psychological background of this view comes out in the following passage where it is integrated with his ethical standpoint:—

"When the angel Gabriel prepared the prophet Mahomet for his divine mission, he plucked from his heart a black spot which contained the seed of evil. Unfortunately this operation cannot be practised upon the hearts of ordinary men. The seeds of good and evil are inseparably mixed. The inclinations are governed by motives; but all pains and all pleasures are motives, pains to be avoided, pleasures to be pursued. Now all these motives may produce all sorts of effects from the best to the worst. They are trees which bear wholesome fruits or poisons according to exposure, according to the care of the gardener, according to the wind that blows or the temperature of the day We ought not to attempt rooting out any affections of the human heart, since there is none which does not play its part in the system of utility."

In another passage he says that "it is the duty of the legislator to encourage innocent amusements." And he cites as examples the following among others: "progress of the art of gardening applied to the production of nutritious vegetables the introduction of non-intoxicating liquors, of which tea and coffee are the principal . . . progress in all that constitutes elegance (including) the embellishment of grounds the invention of plays and pastimes cultivation of music, theatres the cultivation of arts and sciences and of literature."

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This passage suggests that Bentham would have approved much of our modern social legislation, for example, the Licencing Act of 1921, which authorised the continuance of the state management schemes in Carlisle and elsewhere, and the Town and Country Planning Act (provided that fair compensation was paid to property owners for disturbance or compulsory acquisition!). He would also have approved most of our education code and the provision by the State or by local authorities of libraries, parks and playgrounds, theatres, cinemas and broadcasting.

Even in the strictly economic sphere (where in the main he follows Adam Smith) he allows for more "Agenda" (*i.e.*, things to be done by Government) than Adam Smith does; for example (see "Manual of Political Economy," Chapter IV), the keeping (among other public records) of vital statistics, the provision of hospitals for the incurably sick and helpless and of establishments for "the prevention or mitigation of contagious diseases" and for "vaccination." It was surely no accident that on the initiative of Chadwick (who had been Bentham's secretary towards the end of his life) Parliament passed in 1836 the Act for the Registration of Births, Marriages and Deaths, and in 1840 and 1841 two Vaccination Acts.

Another item in the same "Agenda" was the provision of "establishments for the occasional maintenance and employment of the able-bodied poor."

As early as 1797, Bentham had contributed to the Annals of Agriculture a scheme (elaborated as was his wont in great detail) for the establishment of "industry houses" throughout the land, where the whole body of paupers was to be temporarily maintained and employed. Bentham estimated the pauper population as being about 500,000 so that the number of houses to be built was 250, each to house 2,000 paupers! These houses were to be built to Bentham's panopticon design so that the inmates could be inspected by the management from a central view-point without the inspector himself being seen.

The panopticon was to embody in concrete form Bentham's principle of inspectability. It was typical of his benevolent nature that he desired the inspection to be unobserved by those inspected! Perhaps this is the explanation why the modern civil servant is always so self-effacing in his relations with the public!

The principle of inspectability was only one of several administrative principles which the panopticon scheme was to embody. Another principle to which Bentham always attached the greatest importance was the principle of duty-cum-interest. This comprehended any arrangement or device whereby the administrators were given an

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inducement, pecuniary or otherwise, to perform their managerial duties. His poor relief scheme involved a nice adjustment of reward to behaviour and industry (on the part of the inmates) and of reward to official duty (on the part of the management). Observance of the same principle induced Bentham to favour a public utility company (modelled on the East India Company) as a central authority for building the houses. The company's income was to be derived mainly from two sources—the sale of goods manufactured by the inmates and, from the local authorities, a sum equivalent to the yield of the poor rate in a standard year. The Company was either to farm out the management of the houses or to enter into some profit-sharing arrangement with the managers. It was to establish in conjunction with each house an employment exchange in the form of a roofed-in avenue leading to the main entrance, where employers, accommodated on benches, could interview inmates. The institution of a savings bank on the premises was to be another device to induce self-dependence among the inmates with a view to their release.

Another principle embodied in the scheme was that of "aggregation for the purposes of segregation." This suggestion, involving the classification and complete separation of different types of inmate from one another, was undoubtedly the parent of the idea recommended by the Poor Law Commission of Enquiry of 1832 and subsequently carried out—though very imperfectly—by the Boards of Guardians in their work-house arrangements.

Apart from this there is very little in the Poor Law Amendment Act which Bentham would have approved. He would not have liked the division of control between the central and the local poor law authorities, especially as the latter were given no pecuniary inducement to carry out the orders of the central authority. Nor would he have approved the payment of fixed salaries to the Commissioners. The grant-in-aid system which was subsequently developed in connection with police and highways conformed to the duty-cum-interest principle. Is it not probable that Bentham would have urged upon Parliament a similar device if he had lived to 1834? Bentham would also have fastened upon the weakness that the Act did not provide any means for the cure of destitution, such as employment exchanges and savings banks. His plan was curative; that of 1834 was not.

With regard to the Municipal Corporations Act, Bentham would surely have strongly approved the establishment of ratepayers' control on a residential franchise without plural voting. His views on electoral reform were clearly formulated in his *Essai sur la Représentation* written in 1788 though never published. The theory held by some interpreters that Bentham was converted to democracy by James

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Mill (whom he met for the first time in 1808 when he was already 60) does not appear to be warranted.

The absence of any degree of central control or supervision over the new municipal councils would also have seemed to him a wise feature of the Act. It is clear that Bentham only favoured a strongly centralised system of control in the case of those classes of people who were not competent to manage their own affairs. These classes would include convicted prisoners, paupers, children, and persons physically or mentally defective. For each of these classes Bentham favoured the establishment by the State (or under its auspices) of institutions of the panopticon type: but—and this is a very important point—Bentham desired the institutional treatment in every case to be curative or educative, so that the inmates might be enabled to join the ranks of ordinary free citizens. Those who seek to find in Bentham either the apostle of *laissez faire* or the domineering bureaucrat will be disappointed and will find little to support their thesis in Bentham's own writings.

Bertrand Russell suggests that but for the intervention of James Mill, Bentham would never have occupied his position as leader of the Philosophic Radicals. Would that have been a great loss to Bentham? Leslie Stephen says that James Mill mediated between the prophet (Bentham) and his missionaries. Since James Mill was quite as much a follower of Malthus and Ricardo as he was of Bentham, the prophet's teaching might have been handed down in a purer form if Mill and Bentham had never met. Through Mill the crystal-clear waters of Bentham became muddied by the glacier stream of Malthus.

Principles Underlying Government-Owned Corporations¹

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GOVERNMENT-CREATED corporations, whose function it is to perform economic services, are the order of the day. Within the last few months, no less than five public corporations have been created by charter—all of them under the liberal laws of Delaware. These corporations, in which the government owns all of the stock, are the Emergency Housing Corporation, the Commodity Credit Corporation, the Electric Home and Farm Authority, the Subsistence Homestead Corporation, and the Surplus Relief Corporation. Concerning the powers and importance of these new public corporations, the Washington representative of a Chicago newspaper wrote recently:—

"Using powers granted to it through these corporations, the government under the New Deal could manufacture anything from carpet tacks to steam engines. It could manufacture breakfast food and mine coal. It could run farms. It could build a Second Empire state building or run a country grocery store. It could deal in all securities and commodities, borrowing and lending money."

Government-owned corporations are not a new development, but their potential importance has never been so great. The recent period is reminiscent of 1916, when, within a period of sixteen months, Congress created five government-owned corporations, the Emergency Fleet Corporation, the United States Grain Corporation, the War Finance Corporation, the United States Housing Corporation, and the United States Sugar Equalization Board. The war-time corporations have been liquidated, but in their place there have appeared others. The Panama Railroad Company, originally a private corporation established under the laws of New York by American capitalists in 1849, became a government-owned corporation in 1904 and has operated very successfully ever since. Other more recent

¹ This essay was prepared in connection with the writer's study of "Government-Operated Enterprises in the Panama Canal Zone," which is reviewed on p. 92 of this Journal.

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examples of public corporations, such as the Inland Waterways Corporation, the Reconstruction Finance Corporation, and the Federal Home Owners' Loan Corporation, are organizations which have come into public notice rather frequently. In the light of past experience, and particularly as the result of the author's observations relative to the Panama Railroad Company, the oldest existing government-owned corporation, we may attempt to formulate general principles bearing upon the administration of public corporations as a class.

In this analysis we should deal with the general advantages of the public corporation, as well as with the legal, financial, and administrative factors underlying and controlling its activities. Is it true that by adopting the customary organization of industry, namely the corporation, governments can carry on economic enterprises without political interference and with the elasticity of management and the autonomy of finance found in efficiently conducted private enterprises? An answer to this query should take into consideration the method of incorporation, the scope of activities, the method of organizing and controlling the administration, the nature of the employment system, the independence and the reliability of the undertaking's finances, and the extent to which public accountability can be enforced.

Problems of Incorporation

In providing for a public corporation's charter, Congress has several possible courses of action from which it may choose. A special act of Congress itself may create the corporation; the new undertaking may be incorporated in the District of Columbia; finally, the charter may be taken out under the laws of a state in accordance with the discretionary action of an administrative officer or board acting in pursuance of broad powers granted by Congress.²

There appear to be good reasons for favouring national incorporation in preference to state incorporation for undertakings coming within the range of Congress' power. The right of Congress to establish corporations has been recognized for years. Congress has never made it a practice to incorporate private undertakings, but it has brought into being public corporations, such as the Inland Waterways Corporation and the Reconstruction Finance Corporation. Direct incorporation by act of Congress involves the inclusion, in each act, of a complete list of powers and privileges conferred and of the liabilities and restrictions imposed upon the corporation. There is no general incorporation act of the federal government at the present time. Hence, there are certain disadvantages, mainly in time and effort which must be spent, of direct incorporation by Congress.

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Incorporation under the laws of a state involves overlapping jurisdiction, invites friction, and renders amendments and modifications much more difficult. When a federal corporation is chartered by the laws of the state, it is the state and not Congress which gives birth to the corporation. Congress merely authorizes an administrative officer or board to form a corporation under the laws of a state. At one and the same time, the corporation is a creature of the state and an agency of the federal government. "This overlapping of jurisdiction has been the cause of some friction in the past," Van Dorn has pointed out, "and may prove a fruitful source of conflict in the future."³ Furthermore, Congress thereafter has no power to change the powers or liabilities of a state-incorporated undertaking, as it does have when incorporation is by special act or under the general incorporation law of the District of Columbia. In the case of a corporation which has lived as long as the Panama Railroad Company, the desirability of being able to make adjustments as times and ideas change will readily be granted.

It is not imperative that Congress should pass a general incorporation law, so long as the basic principles of government-owned corporations are clearly appreciated. Flexibility is desirable when so many different types of undertaking need to be provided for. Incorporation under the general law of the District of Columbia has no particular merit, because no rights are gained which cannot be granted by a state, while there are certain disabilities which are usually not found in the corporation laws of most states. It does prevent conflicting jurisdictions, of course. All things considered, however, direct incorporation by act of Congress appears to be the most desirable practice. This being the case, it is particularly important that Congress should be well-informed on the considerations which enter into the management and control of a government-owned corporation.

In laying plans for the incorporation of a government enterprise, it is important that due attention should be given to the proper scope of the corporation's activities. The powers accorded to the undertaking should be liberal, but it is possible to make them too vague. In the latter case it becomes difficult to hold the officials accountable, and there is always the danger that the corporation's activities will be expanded beyond a desirable point. "We must beware of overly large units of public management," one of the most astute statesmen of modern times recently said when interrogated concerning the socialization of industries. On the other hand, we should take care to prevent the creation of two public corporations where one would suffice; in other words, the undertaking should take in all of the administrative units clearly related to the fulfilment of a complete

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economic or social service. The securing of administrative integration, of effective executive control, of unified financial policy, and of public accountability are additional considerations of great importance which should be kept in mind in determining the proper scope and variety of activities of a government-owned corporation.

Freedom from Governmental Interference

One of the greatest advantages of the public corporation is that it is removed from the political arena and from constant interference from the legislature and from the financial authorities while at the same time its charter and its organization make it effectively accountable to the public for the trusteeship with which it has been charged. "It is claimed for the government-owned corporation," Van Dorn has stated, "that it facilitates the solution of the financial and business problems of such an agency and that it does not increase the difficulties of responsibility and control."⁴

Instead of the legislature's attempting to act as a board of directors for the public undertaking, it delegates this responsibility to specially qualified citizen directors and to permanent executive officials of the corporation. Except in such matters as the choice of directors, the disposition of profits, and the establishment and alteration of general policies controlling the undertaking's operations, the public corporation is run exactly like the business corporation.⁵

In the successful conduct of a public commercial undertaking, as well as in private business, elasticity of management is necessary. This means that the directing officials must be free to make quick decisions relative to the corporation's affairs, that if one policy does not work another one may be easily and speedily substituted, that experimentation and risk-taking should not only be possible but should be actually encouraged, and that the administrative organization may be reorganized from within from time to time without the difficulties and delays of securing permission from a superior authority. In a word, an elastic, progressive undertaking provides freedom for executives of imagination; it encourages the development of that rare quality, acumen. Applying the same considerations negatively to the public corporation, it may be said that the corporation should be left alone once the legislature has determined the undertaking's fundamental powers and limitations, that the board of directors should confine its attention to policy and control and not attempt itself to administer, and that the responsibility and initiative of the general manager should be unrestricted so long as

⁴ Van Dorn, *op. cit.*, p. 258.

⁵ The best treatment of this whole subject is found in Herbert Morrison's book, *Socialization and Transport*, London, 1933, particularly Chapters 8 and 9.

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he stays within the general limits laid down by the legislature and the board of directors.⁶

An outstanding advantage of the public corporation is that any interference by Congress requires a positive legislative act. The ordinary government establishment, on the other hand, may be constantly interfered with by legislative acts and resolutions and may even be severely crippled by the failure of Congress to make an appropriation needed to carry on work already established. It need hardly be said that immunity from the legislature's caprice relative to appropriations is a prime essential of a government business enterprise.⁷

Functions of Board of Directors

A capable and active board is another requirement of the successful public corporation. The legislature can hardly be expected to delegate its trusteeship to a board of directors if the latter's members are to be mere rubber-stamps. To secure directors of ability, to keep them constantly and keenly interested in the undertaking, and to keep out politics and self-aggrandizement—these are conditions essential to the success of government-owned corporations. The board of directors should not be too large; if it is, the individual interest and responsibility are almost sure to be diminished. Although unusual circumstances may necessitate variations from the general rule,⁸ it still appears wise to insist upon a small board. The minimum should probably be three, the maximum nine, and five appears to be about the right number for the average board.

Experience in the United States, as well as in other countries, proves that there are a certain number of public-spirited men who have achieved success in their own businesses or in the professions, and who are willing and anxious to perform a patriotic service by contributing their experience and judgment to the boards of public corporations. To discover such men and to enlist their interest is one of the most important tasks connected with the conduct of public commercial enterprises. As has been insisted previously, it appears to be wise and just to compensate directors for their services. Failure to provide for directors' fees is no defence against self-seekers, while compensation is justified for the same reasons that it is in private corporations or in other positions in the public service.

⁶ On this and related points the reader is referred to the writer's book entitled *British Public Utilities and National Development*, London, 1933, particularly Chapter 9.

⁷ Perhaps the earliest discussion of this subject is contained in W. F. Willoughby's *The Problem of a National Budget*, in the chapter entitled "The National Government as a Holding Company: the Question of Subsidiary Budgets."

⁸ On the Board of the Panama Railroad Company there are thirteen directors, a number which on the face of things appears to be too large. Usually more than half of the members, however, are past or present officials, leaving only four or five directors who represent an outside view. Moreover, it is rarely possible for all the members of the Board to be present at the same meeting.

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The extent to which partisan influences can be divorced from the management of public corporations constitutes one of the chief arguments in their favour. How to eliminate all traces of politics from the boards of public corporations is a problem of unsurpassed importance. It has been done, as, for example, the record of the Panama Railroad Company's Board of Directors clearly discloses. Experience in the United States, as well as abroad, points unmistakably to the conclusion that directors should be chosen solely on the basis of their experience, ability, and public spirit rather than on definite political or geographical lines. The provision in an act stipulating that no more than a certain number of directors shall be drawn from one political party and that particular geographical regions of the country shall be represented at all times seems in practice merely to invite partisanship, log-rolling, and sectionalism. An appeal to individual integrity, public-spiritedness, and national interest is more likely to bring out desirable responses from directors. The ideal system is to have the political party in power choose more men for public boards from other parties than from its own; this advanced stage of sportsmanship and sound public management has already been achieved in Great Britain, as is illustrated by appointments to the boards of public utility trusts during recent years.

One final suggestion relative to the boards of directors of government-owned corporations may be made. A director is a trustee for the consumer, for the legislature, for the country as a whole. Why not call directors "trustees," as has been done in several cases outside of the United States? The psychological effect of emphasizing trusteeship would appear to have definite advantages, as actual experience seems clearly to indicate.

Administrative Relationship to Government

In the United States, contrary to the practice in Great Britain, it has been customary to make the head of the department of government most closely identified with the work of the economic undertaking a member of the corporation's board of directors. For example, the Secretary of War is a member of the board of the Panama Railroad Company, and, as representative of the United States government, he votes the stock of the government. By means of this official connection, a definite line of responsibility is maintained between the public corporation on one hand and the President and Congress on the other. Just the opposite policy, however, obtains in Great Britain; there the Minister in charge of the department affected has purposely been kept off of the controlling board of the public corporation, the Minister maintaining merely a general oversight from

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the outside and interfering only if there is an abuse of power.⁹ In other words, all of the trustees are citizen members, and hence they vote the stock of the corporation without consultation with the Minister. There is this important difference between the circumstances in the two cases, however. In the United States the entire stock of public corporations is owned by the government, whereas in Great Britain it is owned by private stockholders. The private stockholders have no voting rights in British public corporations, their interests being taken care of by the government-appointed trustees.

The United States and Great Britain have done more than any other countries to develop the public corporation, and hence comparisons between them are frequently helpful. Is the political head of the government department given too much influence over the policies of the government-owned corporation in the United States, and would it be wiser policy to eliminate him from the Board of Directors altogether, as the British have done? Without reference to what may be appropriate in Great Britain, the writer is convinced that inclusion of the department head on the board of the public corporation in the United States is definitely desirable. In the first place, the department head is made responsible for the satisfactory conduct of the corporation, and hence membership on the board is the effective means of acquiring knowledge and accountability. Again, since all of the stock is owned by the United States, it is necessary and proper that one of its high officials should vote the stock. As a matter of fact, department heads do not appear to have had an undue influence over the decisions of public boards. This is definitely true, at any rate, of the Panama Railroad Company. Except in the matter of voting the stock, all members of the board have an equal voice. Dividends have not been voted by the Panama Railroad Company unless a majority of the members were convinced that the financial showing of the corporation justified such action—no matter what the Secretary of War happened to think. In other words, inclusion on the board of directors of the public corporation of the Secretary of the department concerned with its affairs results in effective accountability to the cabinet member charged with responsibility and establishes a liaison to the President, Congress, and the public, while at the same time the political official's influence is not so great that he dominates the other directors.

An active board of directors, consisting of individual members who possess business ability and who have the courage of their convictions is an essential foundation on which to build the management of public corporations. A board that does not really function

⁹ Cf. the writer's *British Public Utilities and National Development*, pp. 44, 58, 315; see also his article entitled "British and American Utilities: A Comparison" (1933) in *University of Chicago Law Review*, pp. 265-282.

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is worse than none at all. Moreover, the board of directors should be the policy-formulating unit of the corporation and should exercise complete surveillance and ultimate control over the management. An advisory board, possessing no power of decision or control, is not satisfactory. It is believed that this view is supported by comparing, for example, the conduct of the Panama Railroad Company and the Inland Waterways Corporation, the former having a board which really functions and the latter possessing merely an advisory board which has no power to control.

Powers of General Manager

It is not contradictory to say that the board of directors should not interfere with the detailed management of the corporation. The general manager should be given the utmost freedom in carrying out the policies of the board and in deciding problems as they arise. There are more or less distinct functions which divide the relative duties of the board and the management. The board draws up large policies, considers past records, and approves or criticizes the actions of the management; the general manager puts the programme into operation, makes discretionary decisions as they arise, and recommends policies and actions to the members of the board. Needless to say, this relationship depends in large measure on the personalities of the board and the management. If the general manager has the complete confidence of the board, and if he has energy and acumen, he will be given all of the freedom which might be asked for in the ordinary private corporation.

Were it not for the fact that the principle has at times been violated, it would probably seem superfluous to say that in a public commercial undertaking the reins of administrative control should be definitely placed in the hands of one person, the manager, and that he should be given complete jurisdiction over every phase of the corporation's activities. In a word, a public corporation needs to have complete administrative autonomy and a unified executive if the best results are to be achieved. Every phase of a business has a bearing upon almost every other phase, so, if authority is not unified, there cannot be complete integration. If there is not one undisputed leader, friction is almost sure to result, the morale of employees will suffer, and an atmosphere of vacillation will develop. These observations are so commonly and universally accepted that administrative autonomy and unified executive authority may almost be referred to as primary principles of management.

Civil Service and Industrial Service

The general manager of the corporation, assisted by an alert per-

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sonnel bureau, should have power to appoint, promote, discipline, and remove any and all of the employees of the undertaking. Public corporations have never been made subject to Civil Service laws and regulations, and it appears that they should not be. Of course, the merit system and permanence of tenure are every bit as important in public commercial undertakings as they are in ordinary government departments, but at the same time it may be reasonably insisted that these objectives should be achieved without introducing the rigidity which accompanies the usual Civil Service regimen. So long as promotion according to strict seniority is typical of the Civil Service, and so long as incompetent and unambitious people cannot be easily rooted out, public commercial undertakings should not adopt the Civil Service system *in toto*. The writer is one who believes that these defects can be cured in time and that Civil Service regulations are not necessarily less desirable than unrestricted business methods of hiring and firing. However, it does appear to be clearly objectionable for a full-fledged Civil Service system to be superimposed upon a public commercial undertaking by one comprehensive act. Rather, the best features of the Civil Service, *i.e.*, the merit system, permanence, and allowances of various kinds, should be absorbed gradually by the public corporation. It is possible to achieve the benefits of a Civil Service system by the establishment of traditions and practices, without formalizing and rigidifying the regulations relative to personnel management.

In the public corporation there should be an awareness and an assurance among all employees that effort, ability, and inventiveness will be rewarded by rapid promotion and by increased responsibility and remuneration. This stimulus to the employee's ambition has been the best feature of private business, and evidence of the fact that it does not have an opportunity to operate so effectively to-day as it has in the past is an extremely discouraging feature of the rapid changes which have been occurring in the economic order. Government service has become notorious, exaggeratedly so, for its timidity, its mediocrity, its failure to reward genius, effort, and servers, its mediocrity, its failure to reward genius, effort, and servers, its mediocrity, its failure to reward genius, effort, and servers. No matter how much the Civil Service system is improved, it will probably continue to be difficult for discerning executives to promote young men of great promise with the same freedom and dispatch found among business leaders. This heritage of the private corporation should be jealously guarded and fostered by the public corporation. For this reason, it appears to be definitely objectionable for Congress to apply acts and regulations applicable to the Civil Service to the staffs of government-owned corporations, as has been done in certain cases in the past. For the time being, at least, the Civil Service and the industrial service of the state should be

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distinguished, even though permanently they may not be kept distinct.

The industrial corps for public corporations is available and will continue to be trained in the technical schools and the departments of business and public administration of the universities. These men not only have the technical training, but most of them become acquainted with public administration and the philosophy underlying the public service. It is encouraging to observe that engineering schools have begun to introduce courses which will prepare students for government administration. From our institutions of higher learning public corporations may choose graduates of great promise, and thereafter put them through a period of testing and apprenticeship before attaching them permanently to the staff. In the Canal Zone, for example, it should be possible periodically to take a small number of graduates in engineering and administration from reputable institutions in the United States and give them a two-year trial, after which the successful candidates would be placed in positions leading to assured promotions. In our public corporations we need an "Administrative Class," consisting of thoroughly-trained persons who can be counted upon as future administrators.

Financial Considerations

The principal advantages of a government-owned corporation over an ordinary government department are to be found in the ease and independence with which the undertaking's financial affairs and purchasing operations can be conducted. The ability to raise capital funds, the right to expand the business, the necessity of earning money before it can be spent, the assurance that income depends upon economic factors rather than upon the benevolence of the legislature, the right to borrow money on the corporation's credit, the freedom to build up reserves for the replacement of plant and the expansion of the business, the knowledge that accounts can be kept on a business basis and without periodic government audits, and the desire to run the business as efficiently as possible because the enterprise will be judged on its own financial showing—these are some of the respects in which the public corporation excels on the financial side in contrast with the government department.

Corporate revenues are derived from earnings, while departmental appropriations come from Congress. The legislature fixes the exact amount which may be spent for each particular service. This is a practice which would be an onerous strait-jacket for a commercial undertaking, since it would take away the necessary elasticity needed when economic conditions change and unforeseen emergencies arise. Where an undertaking is dependent upon markets and consumers'

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demands, the specific estimates of revenues and expenditures cannot be determined with anything like detailed accuracy.

Corporate finance is more likely to encourage efficiency and economy than is departmental finance. When Congress makes the appropriation, there is a constant temptation for the department to be extravagant in case a prospective surplus appears at the end of the year, inasmuch as all such sums must revert to the Treasury; in the public corporation, on the other hand, surpluses are expected and nourished, inasmuch as the success of the venture and its ability to expand are judged by the earnings remaining at the end of the year.

The public corporation starts out with a lump sum, the capital stock, with which it can meet emergencies and develop the business as necessity and experience dictate; the great tragedy of the government department is that no matter how efficient or how successful it may be, the means whereby it may expand are controlled firmly by the legislature instead of being in its own hands. With its nest-egg the public corporation may divert funds originally intended for one phase of the business to another, if wise business policy so counsels. Apropos of the immediate discussion, Van Dorn has related an instance from the history of the Inland and Coastwise Waterways Service before it became a corporation.¹⁰ The service, it seems, was in need of terminal facilities for the development of its new transportation lines, and an appeal was made to Congress, which appropriated the necessary funds. However, the company found itself unable to build terminal facilities because there was no provision in the act specifying that land might be purchased on which to erect the improvements. In order to get around this difficulty it was necessary for the company to loan money to the terminal city in order that the municipality might buy the land and thereafter lease it to the company. Although very few governmental agencies have been driven to such extreme measures, this incident is illustrative of the cramped business dealings and administrative hardships which result when a public commercial undertaking must conform to governmental financial practice.

Not only does the public corporation have an initial financial advantage over the ordinary government establishment, but it can borrow on its credit as emergencies arise or as the desirability of expansion occurs. The corporation, for example, can issue bonds or make short-term loans from banks—powers which are denied to other governmental agencies. It must be obvious that any commercial undertaking, particularly a competitive one, must be vouchsafed the right to borrow on its credit, because sooner or later it is almost sure to need this right.

¹⁰ Van Dorn, *op. cit.*, p. 259.

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Congress has usually placed an outside limit on the amount which a government-owned corporation will be permitted to borrow, and this is probably a wise precaution. However, if all enterprises were managed on a conservative pay-as-you-go basis, as the Panama Railroad Company has been, there would be little necessity to go into debt.

The right of a public corporation to retain its annual earnings over and above a fixed payment, which goes to the Treasury, and to use said profits to build up a financial reserve and to undertake financial improvements—this right is proof positive of self-contained finance. Without such a guarantee no public corporation can be expected to be a complete success for very long. The right to retain profits provides an incentive which produces efficiency and enthusiasm. Any capable executive values the assurance that his particular enterprise has financial reserves that it can fall back on, and it is only human to want to expand one's business. The significance of these incentives should not be minimized. Judged by any standards, it is sound policy for an enterprise to retain its profits and to expand its services so long as it is rendering an efficient and a profitable service.

A final advantage of corporate finance is that the undertaking is free from the usual system of government auditing and accounting. Here again the public corporation has more freedom without reducing the protection of the public interest. Generally speaking, government accounts differ from business accounts; for one thing, the subject matter and the objectives are not the same. Government accounts merely show where money goes, primarily how it is spent; business accounts indicate the complete financial position of the corporation, emphasizing the profit and loss statement. Hence, the public commercial undertaking should be free to adopt the most modern accounting methods of private business. Moreover, the public corporation should secure its outside audit from a reputable firm of commercial auditors, just as do private corporations. These firms are better versed on the accounts and the operations of a public commercial undertaking than are the agents of the Comptroller-General's office. The latter's attention is confined almost entirely to spending departments which perform functions not of a commercial character; it is natural, therefore, that government auditors should be interested in honesty and legality to the almost complete exclusion of matters relating to efficiency. The commercial auditor on the other hand, makes it his business to point out unbusinesslike or wasteful practices.

There is a close relationship between finance and purchasing. The greater freedom which public corporations enjoy in making purchases

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is one of the most convincing reasons for choosing this type of organization for commercial undertakings of the government. It is not always desirable to accept the lowest bid, as the government department must. On the other hand, it is frequently advantageous to have an increase and decrease clause written into a contract when dealing with certain classes of commodities. Again, the rule that no government contract can be modified except in the interest of the government and with the approval of the Comptroller-General sometimes works a hardship. In short, government purchasing is controlled by strict laws and regulations; these are undoubtedly necessary and proper for the ordinary political departments, but they work hardship on public commercial undertakings. The public corporation must be responsive to consumer demands and the competition of the market-place, and hence its operations, including finance and purchasing, need to be elastic.

Accountability and Public Control

The government-owned corporation provides the foundation for elastic and progressive management, while at the same time it contains effective means of assuring responsibility and accountability to the general government. In the past it has been assumed that the accountability of a regulated undertaking is in direct ratio to the number of checks and interferences imposed upon it from outside. Judged by this standard the public corporation would be comparatively unaccountable. But the criterion of effective public control, it is increasingly realized, is not the amount of interference but rather the results produced.

Is it possible to keep the public undertaking's policies in substantial conformity with the basic social and economic objectives of the general government; this is the first test of public accountability? Again, does the undertaking produce satisfactory service in an efficient manner, and is the management's record relative to finance and the treatment of employees a commendable one; this is another test of prime importance? If a public undertaking rates well on all these scores, the methods of public control employed are only incidental.

Provided the public interest is protected, the less interference there can be with commercial management, the better. Outside control eventually divides responsibility, causes resentment on the part of the management, and tends to restrict the elasticity and progressiveness which we have been praising.

It follows that the most salutary checks are those which are contained within the fundamental powers and limitations of the enterprise—the internal controls as contrasted with outside regulations.

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This is the kind of public control found in the public corporation. Important limitations are contained in the authorizing legislation relative to maximum indebtedness, permissible borrowing, anticipated profits and their disposition, periodic audits, required bonding of employees, principal responsibilities of the board, general powers of the chief executive, fundamental personnel provisions, financial liability to creditors, and legal liability to suit.

The law creating the government-owned corporation provides for administrative, financial, and legal accountability to external authority. Administrative liability is brought about principally by the department head's acting as a connecting link between the corporation and the general government—as the Secretary of War does, for example, in relation to the Panama Railroad Company. The outside audit of the corporation's accounts is the most important financial check. Finally, the corporation can be proceeded against in the courts in case it is thought to have violated its corporate powers, or in case of tort.

One of the advantages of incorporating a public commercial undertaking is that the enterprise can sue and be sued as freely as can a private corporation. It will readily be agreed that a public undertaking performing economic services, at times in competition, should be as completely liable to suit as any other entrepreneur. Other government establishments, partaking of sovereign immunity, cannot be sued, of course, unless the legislature has waived their immunity by a legislative act. In order that no question of immunity may possibly arise, Congress, when creating public corporations by direct action, has inserted a specific provision authorizing the corporation to sue and to be sued. No doubt this is a desirable precaution. However, when the Emergency Fleet Corporation attempted to claim that it partook of the sovereignty of the federal government and hence could not be sued, the Supreme Court held that it was answerable for its acts as was any other corporation, even though it was an agent of the government.¹¹ A public corporation is an autonomous organization with a legal status separate and distinct from the government which creates and owns it.

The liability in tort of public corporations is well illustrated by one of the leading cases relative to the Panama Railroad Company, the Curran case.¹² In this action for damages against the corporation, the plaintiff, a Mrs. Curran, had injured herself by falling on the freshly oiled floor of a Canal Zone commissary. The company was charged with negligence in permitting the floor to be in such an unsafe condition. The company denied liability on the ground that

¹¹ *Sloan Shipyards Corp. v. U.S. Shipping Board Emergency Fleet Corp.*, 258 U.S. 549 (1922).

¹² *Panama Railroad Company v. Curran*, 256 Fed. 768 (1919).

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it operated the commissary not under the provisions of its charter but merely as an agent of the government. However, the court held that the corporation owned the property and was therefore responsible for its proper administration. Making a public corporation liable for its torts is not only desirable in that it benefits aggrieved individuals, but it is good for the undertaking itself inasmuch as such responsibility fosters careful and efficient management.

Summary

The public corporation is an operating undertaking of which the owner, the government, is the holding company. The corporation is a desirable form of organization and control for public commercial undertakings. Because of its freedom from governmental intervention in management, the government-owned corporation enjoys the elasticity and autonomy which are required for efficient and progressive administration. Not only does the public corporation operate under conditions favourable to successful management, but in its fundamental powers and restrictions effective methods of assuring responsibility for its acts are to be found.

With reference to the corporation's control and management it has been suggested that incorporation should take place preferably by direct action of Congress itself; that the scope of the undertaking's powers and services should be large enough to prevent duplication and to guarantee effective management, but not so large as to cause over-expansion and vagueness of limitations; that the board of directors should really function as a policy-forming and controlling unit, and that the board should not be too large, that it should be non-partisan, and that its members should be compensated; that the Secretary of the appropriate federal department should be a member of the board of the public corporation and should assume responsibility for its successful conduct but should not interfere in detailed management; that the general manager of the corporation should enjoy the utmost freedom in carrying out policies and in recommending new ones; that the management should be autonomous and that the reins of authority should be held firmly in the hands of the chief executive of the corporation; that the best features of the Civil Service should be absorbed by the public corporation, but that Civil Service regulations as a whole should not be taken over; that elasticity of management, and promotions without strict reference to seniority, should be fostered; that an "administrative class" should be encouraged and that an apprenticeship for young university graduates should be sponsored by the public corporation; that financial reserves should be built up; that modern business accounting methods should be adopted, and that commercial audits should be employed; that

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the freedom of private purchasing methods should be retained instead of adopting the strict regulations of government purchasing; that important internal controls are more likely to bring about effective public control and successful management than are meticulous regulations imposed from without; and that there should be as much legal liability on the part of the public corporation as there is in the case of any other commercial undertaking.

The methods of administration employed in the most successful business corporations, added to the public service philosophy engendered in the government service, should provide a formula for instrumenting the new working relationships between government and industry.

The Growth of Public Administration in the United States and its Lesson to the Australian Commonwealth

By DR. A. GRENFELL PRICE, M.A., D.Litt.

[Address delivered at the Fourth Annual Conference of the South Australian Regional Group of the Institute of Public Administration on September 25, 1934.]

I APPRECIATE greatly the invitation to speak to this Institute on a question of considerable importance to Australia—the growth of government, and of public administration in the United States and its lesson to Australia. One realises that the subject lies somewhat beyond the scope of one's usual work, but the excuse lies in the fact that some months of work under the Rockefeller Foundation in the United States gave an opportunity of studying the progress of the greatest experiment of governmental control the world has probably ever seen, save perhaps the experiment now in operation in the Soviet Union.

I have time to deal only very briefly with the four major trends in public administration in America—trends which are particularly interesting to the Commonwealth. The first is the shift in the balance of power from areas of local administration to the state capitol, and from the state capitol to Washington. The second is the new management—the search for efficiency by increasing the administrative power, and the machinery at the disposal of the federal, state and municipal governments. The third point is the trend in public employment—the improvement in personnel, the growth of the professional and technical services, and the evolution of professional organisations and of unions in the public service. The fourth is the rise of scientific research in public administration. All these processes are dependent upon factors which are evident in Australia—the change from a purely primary producing to a highly organised and urban community, and to the progress of modern invention and science.

Of the four processes mentioned, that of centralisation is of particular interest, for we see in Australia, as well as in America,

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a growth of federal administration, both absolutely and also relatively, at the expense of the states. Although the American federations have not yet seen as striking a phenomenon as the overwhelming of a New South Wales Government by federal financial pressure, they have witnessed the central governments extending their authority by the ruthless use of financial powers. In the meetings of 1787 the brilliant fathers of the United States remained Federationists rather than Unificationists, and while they granted wide powers to the federal government they attempted to protect the rights of the states. Up to the Civil War of 1861 the United States passed through a period of federal immaturity, like that now evident in the Australian Commonwealth. The constitutional balance of 1787 could not be maintained during a period when the small group of seaboard states were expanding into a nation of continental magnitude. Nothing but "the legal ability and real statesmanship" of James Marshall, who held such doctrines as the "implied power of the constitution kept constitutional interpretation in line with national expansion." Marshall himself considered that only by a series of miracles did the Union survive. Secession was talked whenever states became disgruntled. New England, Virginia and Carolina threatened in turn to break away. Yet the ideals and realisation of nationhood were steadily emerging. In the words of Daniel Webster the federal compact "is the people's constitution, the people's government, made for the people, made by the people, and answerable to the people. The people of the United States have declared that the constitution shall be the supreme law." For three reasons cohesive forces were stronger in the United States than in Australia. First, the Americans had twice faced invading British armies; second, their tariffs were essential not only to the eastern manufacturers but to the primary producers (a phenomenon even more important in these days of competition with Canada, Cuba and the Argentine); and thirdly, the Union admitted many new states and territories which had little local feeling and were national in outlook and aims.

In spite of these cohesive factors, the Americans preserved the Union only by a bloody and disastrous civil war—a war which might have been averted had there been such a body as the British Privy Council to adjust conflicting claims. The northern manufacturing states stood for the Union and for progressive ideals; the southern for an agrarianism based on that coloured labour which might become a grave issue in Australia if any state with tropical territory broke away. The disastrous war taught two fundamental lessons: Firstly, civil strife can destroy prosperity for generations. The South has not really recovered to-day. Secondly, it appears that even strong and victorious states cannot coerce a beaten but determined minority

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when driven to despair. By such organisations as the Klu Klux Klan the defeated Southerners triumphed over the Northern carpet-baggers and emancipated negroes, just as in later times a legally defeated minority was to triumph over the XVIIIth Amendment and liquor laws.

The period 1860 to 1930 witnessed a further growth of nationalising and centralising influences. The federal government increased its authority over the states. The states increased their authority over local governments, and the great cities began to feel their strength and clamour for their rights. A growth of new states and the flood of alien immigration formed remarkable contrasts to events in Australia, yet the methods of centralisation were the same. In the United States the federal financial aid to the states brought about a fundamental revolution which "took the issue totally from the constitutional lawyers and orators, and settled it under pressure of events in the hands of the administrators." In the United States, as in Australia, it was finance which primarily destroyed the rights of the states. Under a true federation both the central and local governments possess in their own spheres sovereignty and independence, but both in the United States and Australia the federations in the true and original sense were dissolved by federal encroachments which destroyed the financial freedom and stability of the states. In America the central government exploited unmercifully its supreme powers of taxation, the pernicious system of federal subsidies and the debt obligations incurred by the states under the increasing demands for social service. In most instances the supreme court worked hand in hand with the federal government, particularly by using the commerce and treaty clauses of the constitution to invade the rights of the states. Here is a point of fundamental importance to Australia. Will the British Privy Council defend the states if the federal high court follows the precedent set by the American supreme court in interpreting the commerce clause of the constitution in such a way as to permit the federal government to control intra-state as well as inter-state trade? Very vital too is the lesson taught by American subsidies. Despite the strong protests of strong states, such as Massachusetts, and leading Americans, such as the late President Coolidge and Governor Ritchie of Maryland, the federal government used its legal rights to levy unnecessarily heavy taxation and to distribute the surplus amongst the weaker states. In 1924, for example, Nevada received back from the federal government 317.45 per cent. of the amount it paid in federal taxation, while Connecticut received only .75 per cent. As in Australia this system has largely bribed into silence the critics of state disabilities. It has impinged unfairly on the strong,

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encouraged the weak in their weakness, and has undermined by purchase the precious rights of local government.

Again, as in Australia, the present depression is further destroying the states. The federal government has set up a vast centralised recovery organisation and has not scrupled to use the strongest pressure to force the states to comply with its programme. Not the least potent factor in the withdrawal of national prohibition was the recurrence of the federal thirst for an old and highly profitable taxation stream, and Kentucky and other states were warned that Washington would be singularly deaf to their requests for financial assistance if they delayed the vote on Repeal. The administration also refused financial help to those weak states which declined to put their affairs in order, and, despite the protests of some of the strongest states, they appointed their own commissions to administer relief funds, and gave direct assistance to municipalities which were in distress.

If the New Deal and N.R.A. survive, the inevitable result will be a tremendous increase in centralisation and federal control.

In the present temper of the American nation, with its supreme trust in President Roosevelt, the tide is running strongly against the states. As Secretary Dern brutally told a recent meeting of state governors at San Francisco: "For effective economic planning . . . state borders must to some extent be disregarded . . . under our complex national life it will be necessary for the federal government to take over more and more power. . . . Evil practices have hidden behind the bugaboo of state rights long enough." Dr. Luther Gulick, Director of the Institute of Public Administration, Columbia University, New York, considers that the states have "gone under," as they have failed lamentably in many respects. Dr. C. E. Merriam in the famous Hoover "Report on Social Trends" claims that economic changes will force a regrouping of the states with the abolition of the over-representation and excessive powers of weak members, and the creation of new city states.

On the other hand, voices are beginning to sound on behalf of the states. Many leading Americans are becoming more and more doubtful of the success of central and organised planning, and it is significant that the Federal Comptroller-General recently issued a scathing report on the losses and mismanagement of the Federal Farm Board. The senate of a weak state, North Dakota, lately permitted the printing of a resolution that thirty-nine states should secede from the nine north-eastern manufacturing states, and there is a strong feeling in parts of the Union that "the east politically and economically has been running the country too long and not to the nation's good." Occasionally one hears a trenchant comment that

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a country of continental magnitude with a population of 120,000,000 is far too large for centralization and unification under one government, and that it was a great pity that the North did not permit the South to secede. If the New Deal fails, or when, as is inevitable, the appalling burdens of the Roosevelt borrowing programme become manifest, these anti-federal currents will merge in a tornado of feeling for the states. No one can as yet foretell the consequences, but the 48 states are now probably too numerous, too small and too interdependent for any secession movement to succeed or even eventuate.

I will deal very briefly with the more technical subjects—the new management, personnel and research. In the federal sphere in the United States the Taft Commission on Economy and Efficiency, 1911-13, resulted in Congressional Legislation—the Budget and Accounting Acts of 1921 which established the Bureau of the Budget and the Classification Act. By means of various devices the Bureau of the Budget became the great agency for the central management of federal business. The last ten years did more to establish agencies and methods of business management in the federal government than any decade in the history of the nation. The Bureau of the Budget, acting for the President, is now in effective control of administrative policy.

In the United States the state governments have always been less efficient than the federal—maintaining in many cases the frontier pattern of rough and ready administration under which they grew up. Up to 1912 no state possessed a budget of modern pattern, but by 1930 every state, except Arkansas which was bankrupt, had a budgetary system. Despite this progress, however, state and local governments remain far less efficient than the federal government, for example, in 1933 Arkansas was bankrupt, and was attempting to repudiate. Several states, including Louisiana and South Dakota, were in difficulties, and 1,120 municipal and rural governments were in default. Such a state of affairs tends to drive further nails in the coffin of state and local administration.

As regards personnel the number of employees in the United States federal service increased from 300,000, or 357 per 100,000 people, in 1905 to 609,000, or 496 per 100,000 people, in 1930. In the State of New York the number of employees increased from 8,100, or 11 per 100,000, to 30,864, or 244 per 100,000, between 1900 and 1930.

In 1931-2 Australia had 28,702 federal servants, or 435 per 100,000 people, which is rather less than the American federal average. South Australia in 1931-2 had 12,789 civil servants, or 2,213 per 100,000 people. This is about five times as many per

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100,000 as the State of New York, but the difference lies in the nationalised railways and system of state education.

For the selection and promotion of these employees the Americans have created numerous civil service commissions, tests, classifications, efficiency ratings and the like. One need hardly say that the United States still utilise the pernicious system of changing their civil service personnel with every change of government. This is the iniquitous "spoils system," and one saw very vividly the scandalous results when working in one of the government departments at Washington when President Hoover was replaced by President Roosevelt. Business stagnated, as no one knew what the new policy would be or when he would be supplanted, while daily there arrived at the offices people who stated that they were securing the control of this or that department owing to political influence. Despite these evils, however, training bureaux such as the Columbia and New York Bureaux of Municipal Research are being rapidly established. A tremendously important evolution is that of professional and scientific services, and there is a vast growth in the number of professional and scientific men in all the services. In 1930, for example, the State of Maryland employed 782 professional people in a staff of 6,962—an average of 11.2 per cent. A national evolution is the growth of civil service organisations, and these, as elsewhere, tend to become political and economic pressure groups. The attitude of the federal congress has steadily become more friendly to such organisations.

The Dominion of Canada presents a somewhat different history and is far more akin to Australia in its small, scattered population, its huge and undeveloped territories and its isolated and antagonistic west. Founded in 1867, near the end of the American Civil War, the builders of the Dominion attempted to avoid the troubles of their southern neighbours by greatly strengthening the authority of the central government. Thus they bestowed the residual power on the Dominion rather than the Provinces; gave the Dominion government the right to veto provincial legislation and to appoint provincial governors; created a senate that was not a states house; and gave Ottawa the sole right to levy customs and excise, together with concurrent rights over direct taxation with the Provinces. The Dominion was to meet some of the local expenses of government, and to subsidise the Provinces at certain fixed rates. It must be noted, however, that the founders made a vigorous effort to secure justice and equality for the Provinces, and that they recognised, and tried to remedy, the disabilities of the weaker members.

Under the British North America Act the Canadian leaders thought that they had suppressed the rights of the Provinces and

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had made a satisfactory financial arrangement. In neither case were they correct. Ontario at once raised the "state rights" issue, Sir John Mowat resigning his judgeship to lead the movement on the ground that "the autonomy of the Provinces must be safeguarded against federal autocracy as the only basis on which the Union can endure." On this issue of provincial rights the constitutional progress took a course entirely opposite to that which the founders had anticipated. Where the supreme courts of the United States and of Australia swung the constitutions against true federalism, against the original intentions of the contracting parties and against the states, the Judicial Committee of the British Privy Council, which Canada had accepted as a final court of appeal, swung the Dominion constitution in favour of the local governments. This it effected not only by a liberal interpretation of the subjects relegated to the Provinces, but by a deliberate invasion of the residual rights which the founders had purposely left under federal control. Also, after the 'nineties, the Provinces succeeded in most cases in their protests as regards the federal power of vetoing provincial laws. In general custom the courts now settle the matter, for the nation recognises the injustice of the Dominion judging of its own case.

The causes of this swing of power towards the extremities in Canada are very important from the Australian viewpoint. Centralisation may have seemed desirable in the 'sixties, but since those days the Canadian provinces have become vast territories, far larger than European countries or the comparatively small divisions of the American Union, and as extensive as many of the Australian states. In the words of one authority, "If federal jurisdiction were as wide as designed by the fathers of the confederation, log-rolling and see-sawing of provincial interests at Ottawa would probably become an even greater menace within the Dominion. Local matters would jostle out national issues, and sit enthroned at the capital. Moreover, a highly centralised state could not deal effectively with the diverse problems of so vast a territory or even curb the centrifugal forces of a community to which geography has not given unity."

Not less unexpected have been the developments as regards finance. The financial arrangements of 1867 providing for "a full and final extinguishment of claims" were immediately attacked by Nova Scotia which within a year appealed to Great Britain for a dissolution of the Union. At England's suggestion the Dominion Government held an impartial investigation, and, despite the protests of the strong province of Ontario, met some of the claims. The ensuing years saw a period of immaturity marked by the admission of some new provinces, by frequent demands for secession, and by

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ceaseless financial compromise. By the 'eighties all parties perceived the evils of the subsidy system, and in 1887 the Provinces met in conference without the Dominion Government. Nothing vital was effected, however, until 1906-7, when British Columbia was making violent demands for the repeal of the Union under the cry of "succeed or secede." Another "final and unalterable settlement" with increased federal subsidies completely failed to check the agitation. British Columbia, in its western isolation, continued in violent hostility and commissioners had been nominated for a further inquiry at the outbreak of the Great War. The problem of provincial disabilities was greatly augmented by the War Debts, and by the demand for social services in the post-war period, during which both central and local expenses increased. Provincial conferences, at which the Dominion Government was not represented, were held in 1926 and 1927, and further assistance from the Dominion was gained. It is noteworthy that these Canadian conferences were remarkable for the big brotherly attitude of Ontario and Quebec, the strongest provinces.

In Canada, as in the United States and Australia, the depression has resulted in the strengthening of the central power. While the Dominion Government is not responsible for provincial debts, it has not permitted some of the western provinces to become delinquent in their interest and retirement obligations when their bonds have been held outside Canada. No Province has as yet repudiated its debt, so the Government at Ottawa does not know what it would do if such a thing occurred. Besides the subsidies to the provinces the Dominion is making contributions to the provincial unemployment relief schemes and to the provincial old age pensions. Yet, at the present moment there is great discontent. Many Canadians consider the system of subsidies "a tangle of opportunism and necessity." They feel that something must be done to improve Dominion and provincial relations as regards taxation and overlapping services, while in the west the British Columbians are bitterly critical of the eastern manufacture and high tariff interests. No doubt the future will see further extensions of authority by the central government, and it is doubtful whether geographical considerations or the outlook of the Judicial Committee of the British Privy Council will defeat the policy of bribery by subsidies and the growth of Dominion financial powers. The fate of Newfoundland will certainly discourage any province from attempting a policy of "splendid isolation," and constitutional lawyers consider that the Canadian Union is indissoluble from the standpoint of any action which an individual province may take.

One factor which has probably helped to slow down the process

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of centralization in Canada has been the flood of public criticism directed against the cost of government and its terrific overhead expense. In the opinion of leading Canadians, Canada, with a population of 9 millions, has a political home vastly too large for its occupants. From basement to attic it is a gargantuan structure—the institutions of the country could meet the requirements of 50,000,000 people with considerable reduction in cost *per capita*. Very dangerous in the opinion of Canadians is the steady growth of federal expenditure, and of re-duplicated services. The Dominion government entered the sphere of public health in 1919, and by 1928 was spending a million dollars a year, including 170,000 dollars for 90 permanent employees at Ottawa. A committee of inquiry in 1907 showed that the department of militia had sufficient staff for a corps of 100,000 men, whereas Canada possessed only 300 regular troops, and a militia of 40,000.

The steady growth of centralisation and of bureaucracy in these American federations and in Australia has been marked by a similar process of centralisation within the provinces and states. One need only mention the growing control of state governments over local finance, education, highways and public health. On the other hand, the rise of great cities is tending towards a decentralising process, and in America, at least, there has been a strong demand for the creation of city states. In fact, one of the most promising of the new suggestions for the regrouping of the United States in economic units suggests the creating of 11 great city states. We in Australia remember proposals to regroup New South Wales into two agrarian states, and a city state—Sydney, with the object of making the alleged baleful influence of Sydney less potent.

The last point is the remarkable growth of technique in improving public administration. Thirty years ago there were no bureaux of research, practically no state or municipal reference libraries, no organisations of officials pursuing investigations, and no universities conducting research in public administration. To-day, on the contrary, there exist scores of centres, whose prime object is to improve administrative methods on the basis of scientific, unemotional inquiry, and research facilities are available through a legion of bureaux, state and municipal reference libraries, research organisations of officials, and universities. One has sometimes heard people speak scornfully of American bureaux of research. I learnt to appreciate their efficiency and the unequalled kindness of their staffs when I found myself with three weeks in which to prepare a report for the Prime Minister of Australia on the Disabilities of States and Provinces in the American Federations.

So far I have tried to indicate that during the last thirty years

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the American federations have passed through a period of greatly increased governmental control and bureaucracy, although no effort has been made to bring in fundamental changes such as guild socialism, fascism, communism, or other systems under which the whole population would become employees of the state.

In conclusion, however, I will outline the situation which is arising under the New Deal, for this may have a fundamental effect upon government management and the civil services throughout the world.

Here we face one of the most important questions confronting modern civilisation. Will the nations continue the present system of economics under which the governments exercise some regulation of national life established upon private enterprise directed by the profit motive? On the other hand, are we entering a new era in which the governments will regulate national and international life under vast economic plans? There is no doubt that Australia must watch very closely the trend of events in Russia, the United States and Britain. It is tragic, for instance, that the Australian press, unlike the press of the United States, contains virtually no news of Russia. Up to the present, of course, there are few indications that the Russian and American experiments are being wildly successful, and, until these countries obtain very much better results by national economic planning, one feels that this country must bolster up the present creaking system of private enterprise, and check those who would swap horses while crossing the worst depression the world has seen. At the same time we Australians must keep our minds open on these world developments, and seek all possible knowledge of comparative progress in Britain, Russia, Italy, and the United States. Returning to the subject of America, the New Deal is broadly speaking a governmental effort made by a president, supported by a united nation to revive industry and raise prices, so that the richest country in the world can continue to carry the stupendous burden of internal debts. Omitting the financial aspects of the New Deal, the executive key-note of the plan is N.R.A. or N.I.R.A.—the National Industrial Recovery Act, by which the United States Government is forcing private enterprise to conform to its plans. The first point is that this Act has become a permanent part of the American social system. It has been hailed as the American Magna Charta, although it cannot be called constitutional as yet. The Act certainly invades the sphere of state rights, but such a small matter will hardly matter if, as an American judge said in the first New Deal case, "Necessity knows no Law." Big business accepted governmental control, for big business was in such grave difficulties that its leaders began by assisting the administration to plant a bureaucratic banyan tree under

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which industry and labour organisations were to rest from their toil in eternal prosperity and peace. Now, however, big business is horrified to find that the Act is permanent. In the words of Will Rogers, the American humorist, "Mr. Roosevelt proposed that the N.R.A. and a lot of these other government-regulated business ethics should be made permanent. Well, that is a terrible blow to some business men. They figured that they would only be required by the government to be honest until the emergency was over." It is intensely interesting to note that the N.R.A. will rest constitutionally upon the famous commerce clause of the American constitution, a clause which United States judges have used to destroy their states, just as the later judges of the Australian high court used the commerce clause of the Australian constitution to destroy the rights of the Australian states. This then will be the first result of the New Deal—an immense increase in the powers of the Union government, and of the federal civil service at the expense of the governments and civil services of the states.

One need hardly point out that similar events are occurring in Australia, and the depression is undermining the rights of the Australian states.

There is no time to outline here the tremendous governmental operations involved in the New Deal, nor to trace its successes and failures. It is enough to say that by government control of currency, by stupendous borrowing and expenditure, by the forcing up of wages, salaries and prices, and by the creating of vast public works the New Deal has invaded almost every sphere of American life. In one's own profession it is perfectly extraordinary to find the number of American university people who are entering the government service. Acquaintance after acquaintance writes: "My university work was suspended soon after you left, as I entered this or that government bureau at Washington to help in the national recovery work." The fate of N.I.R.A. is still obscure, but I will quote the opinion of one worker in the new government service: "Concerning the condition of the countries in this part of the world, I don't know, but some of us are beginning to have some grave fears. A year ago the banks were advertising 'Spend, but spend wisely and divert the depression.' Now the same signs say: 'Save and destroy the depression.' It seems to me that in the past year we have certainly got ourselves entangled in red tape of a tremendously far-reaching governmental administration and that it is far from efficient. Employment has not materially increased, in spite of government publicity to the contrary. Salaries and wages in this country have increased about 10 per cent., but the value of the dollar has decreased

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about 40 per cent. Strikes in this country have undoubtedly been planned and instigated by the Communist party in Russia."

Another very able observer writes that the N.R.A. under General Johnston has virtually broken down. The most striking comment of all is from the pen of that great American James Truslow Adams, who writes in a letter recently published in the *Yale Review*: "From many sources I got the impression that Mr. Roosevelt will experiment less in future. If that proves true, and if he can control congress for a while longer the turning tide will float us. With better times there will be less demand for radical change, though change there must always be, and confidence, badly shaken will slowly return."

The last few sentences have been gloomy, and one would not have you think that one is unduly critical of a very gallant effort by a courageous president, a splendid nation, and a highly efficient civil service to rescue their country when the leaders, both of big business and of labour, were in absolute despair. In the words of John Truslow Adams, "Change there must always be," and it seems probable that the world will see a steady increase in governmental management, and in the part played by the civil services in economic and social spheres. The process, however, may not be revolutionary. It is by no means certain whether government management will increase through organised planning or through additional restrictions upon private enterprise. Whatever happens, the Australian people will not lag behind the leaders. At present the Commonwealth is showing an unusual and possibly wise tendency to let other nations conduct the most striking governmental, administrative economic and social experiments, and for some years it may be preferable for Australians to act as learners rather than teachers, for after all the national resources as compared with America are small. The history and rapid development of this country indicates, however, that Australia will throw vastly greater responsibilities and burdens on the governments and civil services if the great oversea experiments meet with any measure of success.

Notes

RECENT LEGAL DECISIONS AFFECTING PUBLIC ADMINISTRATION
By F. A. ENEVER, M.A., LL.D.

SYNOPSIS

Planning Scheme; Telegraphic Alterations; Poor Law; Poor Law Settlement; Differential Rents; Public Authorities Protection; Clearance Order.

Planning Scheme

In *Markham v. Derby Corporation* ([1934] *Weekly Notes*, 215; 98 *Justice of the Peace*, 765) it was held that a person, who was at the time when the Minister of Health made an order approving a planning scheme the owner of property injuriously affected thereby, was entitled to claim compensation under Section 10 of the Town Planning Act, 1925, notwithstanding that he acquired the property after the local authority had passed a resolution under Section 54 of the Housing and Town Planning Act, 1909, that the Minister of Health be requested to authorise the local authority to prepare the scheme.

Section 10 (1) of the Act of 1925 provides as follows:—"Any person whose property is injuriously affected by the making of a town planning scheme shall, if he makes a claim for the purpose within the time (if any) limited by the scheme . . . be entitled to obtain compensation in respect thereof from the responsible authority."

Clauson, J., in giving judgment, stated that by Section 2, Sub-section (2) of the Act of 1925 it was enacted that a scheme prepared or adopted by a local authority should not have effect unless it was approved by order of the Minister; and by Sub-section (3), that when so approved it should have effect as if it was enacted in the Act. Turning to Section 10, the only way of making the Act work was to take the date of "the making of" the scheme as the date when the scheme became a binding scheme having statutory effect.

Telegraphic Alterations

It was decided in *H.M. Postmaster-General v. Birmingham Corporation* (*The Times*, 17th November, 1934; 98 *Justice of the Peace*, 766) that the cost of telegraphic alterations consequent upon the construction of new streets and the widening of existing streets in connection with the carrying out of certain town planning schemes must be borne by the Postmaster-General and not the local authority.

Section 15 of the Telegraph Act, 1863, in effect, enables a local authority, when resolving to alter the line or level of any street or public road under its control, to call upon the Postmaster-General to alter at his own expense any works of the Postmaster-General constructed under, upon or over any such street or road and to replace them in such position and in such manner as the authority may require or, in the event of difference between the local authority and the Postmaster-General, in such position and manner as may be determined by two justices.

Section 7 of the Telegraph Act, 1878, provides as follows:—"When any work proposed to be done in the execution of an undertaking authorised by an Act of Parliament involves . . . an alteration . . . in any telegraphic line of the Postmaster-General and provision is not otherwise made by enactment, agreement, or otherwise with respect to such alteration . . . or to the expenses of or incidental thereto the following enactments shall apply. . . ."

The section then sets out provisions under which the Postmaster-General may make such alterations in the telegraphic line as he deems necessary or expedient, the undertakers being liable for the expenses incurred, or may call on the undertakers to do the work themselves at their own expense.

The question was, which of these two statutes applied?

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Mr. Justice Goddard held that if there was any enactment at all which was applicable, Section 7 of the Act of 1878 did not apply and the case came within Section 15 of the Act of 1863. The Corporation had resolved to carry out works under their housing scheme and they came within the words of Section 15 of the latter Act.

Poor Law

In connection with the transfer to county councils and county borough councils of the functions of poor law guardians under Section 113 of the Local Government Act, 1929, Sub-section (2) (d) of that section provides for the apportionment of or adjustment in respect of all non-institutional liabilities as soon as practicable after the 1st April, 1930. Under Schedule VI, para. 2, of the Act, the clerk of the guardians must submit to the district auditor for certification a statement of such liabilities. The same paragraph provides that the certificate of the district auditor is to be final and conclusive.

In *Rex v. Ayton; ex parte Cardiff Corporation* (178 *Law Times*, 276; 98 *Justice of the Peace*, 686; 78 *Law Journal*, 232) the circumstances, shortly, were that the district auditor, in giving his certificate, removed two items, included in the statement of the clerk of the guardians, relating to the prospective liability to superannuation in respect of officers in receipt of superannuation allowances and of officers transferred to the Cardiff City Council and the Glamorgan County Council, and in substitution therefor annexed to the statement a schedule of the superannuated officers as on the 1st April, 1930, with the amounts of their respective annual pensions.

A rule nisi was obtained at the instance of the Cardiff Corporation, calling on the district auditor to show cause why a writ of *mandamus* should not issue, commanding him to give a certificate to include the two excluded items and to state the capital value of the pensions of which he had given a list. The matter came before the King's Bench Division and it was held (Lord Hewart, C.J., Branson and du Parc, JJ.) that the purported certificate of the district auditor was a certificate within the meaning of Schedule VI, para. 2, of the Act and, as such, was final and conclusive. The Court could not, therefore, entertain the objections made on behalf of the Cardiff Corporation that the certificate did not regard potential or prospective liabilities, or that it did not set out the capital value of the liabilities admittedly existing on the 1st April, 1930, there being nothing in the Act to require the capital value of non-institutional liabilities to be stated in the certificate.

Poor Law Settlement

The Court of Appeal (Greer, Slesser and Roche, L.JJ.) has affirmed the decision of the Divisional Court in *Lancashire County Council v. Southport Borough Council*, the facts of which are set out in XII PUBLIC ADMINISTRATION, 394, and has held that upon the construction of the Poor Law Act, 1930, which must be regarded as a code of poor law settlement and removability, the poor person in question had never resided in the Borough of Southport for one year and was clearly removable (98 *Justice of the Peace*, 786).

Differential Rents

The decision of the Leeds County Court in *Leeds Corporation v. Jenkinson* (XII PUBLIC ADMINISTRATION, 395) has been affirmed by the Court of Appeal (Lord Hanworth, M.R., Romer, L.J., and Goddard, J.). The Master of the Rolls, in the course of his judgment, stated that the purport of the Housing (Financial Provisions) Act, 1924, which, subject to special conditions, increased the subsidy allowed under the Housing Act, 1923, was that the local authority was not to make charges for the houses such that the aggregate exceeded the total rents indicated under the Act. The local authority was not to be able under any pressure of population or otherwise to make a profit. To that extent the Act tied the hands of the local authority. The relevant sections of the Act gave power to make reasonable charges for the provision of accommodation and it seemed a matter for the discretion of the local authority to determine what were the reasonable charges they should make for the tenancies. The case of *Short v. Poole Corporation* [1926] 1 Ch. 66, showed that, if the exercise of the powers of a local authority were to be impugned as *ultra vires*, the test must be that the powers were exercised unreasonably or in bad faith, of which there was no suggestion in the present case. If the whole purpose of these Acts of providing accommodation for the working classes was kept in mind, it must surely be clear that there might be difficulties besetting particular classes of workers in particular areas which could be properly dealt with by different conditions of the tenancies.

His Lordship added that the provisions in the Act of 1924 seemed appropriate to prevent the local authority from using subsidies in any way which would enure to the benefit of the rates or show a profit, but not to curtail or circumscribe the general powers of management conferred on the local authority (178 *Law Times*, 292; 78 *Solicitors' Journal*, 734; 78 *Law Journal*, 305; 98 *Justice of the Peace*, 686).

Notes

Public Authorities Protection

The Court of Appeal has affirmed the decision of Mr. (now Lord) Justice Roche in *Shaw and others v. London County Council and another* (XII PUBLIC ADMINISTRATION, 396), the result being that claims against public authorities on behalf of infants must, like claims made by persons *sui juris*, be made within the six months prescribed by the Public Authorities Protection Act, 1893 (178 *Law Times*, 252; 78 *Law Journal*, 286; 98 *Justice of the Peace*, 669).

Clearance Order

The decision of Mr. Justice Swift in the case of *In re The Jarrow North Ward* (No. 1) Clearance Order, 1933; *ex parte Errington and others* (XII PUBLIC ADMINISTRATION, 396) has been reversed by the Court of Appeal, it now being held that the Minister of Health acts quasi judicially in deciding whether or not to confirm a clearance order. As evidence had been heard *ex parte* by officials of the Minister and the objectors had not been called upon to deal with that evidence, and also the Minister's officials had viewed the site in the absence of the objectors, the order of the Minister was quashed (*Errington v. Minister of Health*, 178 *Law Times*, 275; 78 *Solicitors' Journal*, 754; 98 *Justice of the Peace*, 707).

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BIOGRAPHY

Elijah in Whitehall

Sir Robert Morant. By BERNARD M. ALLEN, M.A., LL.D. Pp. 318. (Macmillan.) 12s. 6d.

It is well that some account of the work of Sir Robert Morant should be given to the world; well too that it should be done now, when the dust has cleared from the battlefields and it is becoming possible to judge coolly, yet at not too remote a distance, the issues in which he was engaged and the manner of man that he was.

Morant was no ordinary civil servant. He combined an architectonic type of mind—the phrase is Dr. Allen's—with the moral fervour and passion of a Hebrew Prophet. To him the ultimate purpose was everything, and all else—law, regulations, procedure, staff, Ministers, nay, Parliament itself—but means to the end, instruments to be used or set aside as the fulfilment of the master purpose might require. It is small wonder that, from one point of view, his official life was one long conflict with the niceties or, as his critics would say, the decencies of official relations. He went, fresh from Oxford, to Siam as private tutor to the Crown Prince; within two years he had become, in addition, a “counsellor and adviser in matters of State,” was appointed Examiner to the Government Schools, and was busily engaged in creating two colleges for the education of the multifarious progeny of the Siamese Royal House. “I . . . was keen,” he wrote at that time, “to do everything I could and to try and improve everything that I could get into my hands, simply because I hate to see things going needlessly wrong.” This was the real Morant. In 1895, after his return from Siam, he had obtained a minor appointment in the Education Office, as Assistant Director of Special Inquiries and Reports, at a salary of £300 a year; by 1898 he had already conceived the vision of a rational and co-ordinated system of education—of “bringing order into England's educational chaos”—and was, with characteristic disregard of the official policy of his Department, engaged in the

first tactical steps which were to bring that vision to fruition. Not without insight into his character did the small boys of Temple Grove School, when he left them for Siam, choose for him as their parting gift a revolver; they knew that he was of the kind that would be likely to need it. It is the merit of Dr. Allen's work that he succeeds on the whole in presenting a living picture of the man; a little idealized perhaps, except to those who can read between the lines, but vivid and understanding. For indeed it was necessary to understand Morant in order to be able to work with him; his passion for detail, because “at the beginning of a new department details matter infinitely much”; his determination to get at the facts of a subject, which often led him to send direct for “the man who knows,” however humble his standing, rather than for the superior who was officially responsible, and who would, perhaps not unnaturally, feel a slight in this departure from ordinary official procedure; his dislike of Treasury control, because his fervent enthusiasms could not be reconciled to a system in which finance had, as he saw it, not simply a voice but the last and determining word.

Morant's working life fell into three definitely marked compartments: Siam, Education, and Health Insurance and Health. The first stage was essentially a preparation for the real work of his life, and, except for the fact that it seems definitely to have directed his interests along educational lines, probably had less effect upon his character than was sometimes supposed. Between the Morant of Winchester and Oxford and the Morant who ruled the Board of Education there may have been some intellectual differences, but none of temperament or character. Dr. Allen's earlier chapters are interesting, effective, and adequate.

The central section, which covers his sixteen years in the Department, later the Board, of Education, are the best part of the book. In this field Morant had the supreme good fortune of perceiving the job to be done, achieving it, in the face of immense obstacles and difficulties, by methods as brilliant as they were unorthodox, and then being entrusted with the duty and power of translating the new principles into a working administrative system. Of all this, Dr. Allen gives a clear, sufficiently detailed, and convincing picture. One story must suffice. In 1901 the Government, fresh from the polls, was about to introduce an Education Bill designed primarily to clear up the situation created by the recent Cockerton judgment, in which, by the way, Morant had played a material if inconspicuous part. He was then official Private Secretary to Sir John Gorst, the Vice-President of the Council for Education. He had reached the conclusion that a Bill as comprehensive and con-

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structive as he desired could only be handled successfully by one man—Arthur Balfour, then First Lord and Leader of the House. So he procured a meeting with Balfour at the house of a mutual friend. "While they were sitting over their coffee after lunch, Morant asked if he might set out his views on the education question, and then proceeded to sketch his idea for a great reorganization of our educational system to replace the existing chaos. Balfour at first listened with his usual nonchalant air, but soon, as with his eager face and searching eyes Morant gradually unfolded the magnificent plan that was inspiring the whole of his official life, Balfour turned towards him and, taking up his glasses, looked at him with one of those piercing glances which he only bestowed on those who had aroused his keen interest." The result was the Education Act of 1902. A few weeks later he could write to Balfour "Unless you are going to take the helm in education next session, nothing will be done successfully." Balfour took it.

Conduct so unconventional in a civil servant—and a comparatively junior civil servant at that—can be justified only if two conditions exist: necessity, and complete personal disinterestedness. Judged by these criteria, defence of Morant's action succeeds. In the situation that existed, and had long existed, no other course could have rescued English education from the patchwork muddle into which long years of unimaginative handling at the centre had allowed it to grow. Vision, courage, and constructiveness were needed, and they had to be sought there, and there only, where they could be found. As for disinterestedness, no man could be less ambitious for himself, or more ambitious for his cause, than Morant. If at this time the possibility that within a few months he would be called upon to succeed, as permanent head of the department, the chief whose policy he had defeated was present to his mind—and it is unlikely that it was—no one who knew him could suppose that his actions would be in the least degree influenced by that possibility. His interests began and ended in the cause.

Of the nine stormy years that followed the passing of the Act of 1902, with Morant as Secretary of the newly consolidated Education Department, Dr. Allen gives a vivid account. They were years of fighting without and reconstruction within. Morant, with his gift for organization, his essentially modern outlook on administrative technique, and his love of a fight, was in his element. He worked with passionate energy. He developed—possibly somewhat overdeveloped—the Department of Special Inquiries, in pursuance of his favourite doctrine that large organizations need a "central thinking organ" free from the burden and responsibilities of day to day administration: the doctrine, it is interesting to note, finds a very

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prominent place in the recommendations of the Machinery of Government Committee of 1918, of which Morant was a member and which bears many marks of his thought on questions of administrative organization. The "Establishment Officer" as we now know him in the large Departments was substantially Morant's invention. He worked, Dr. Allen tells us, with "a fixed concentration of purpose, the consuming zeal of a reformer, ready to sweep aside ruthlessly, irrespective of personal considerations, any established practice, any particular individual, that hindered the fulfilment of his vision or the achievement of his end. Most rulers who are conscious of a mission and who are set upon accomplishing it have had this strain of hardness. Morant was no exception to the rule."

One small but typical instance of his outlook on administrative technique may be mentioned. The Board had a volume of *Instructions to Inspectors*: in his remodelled edition he changed the title to "suggestions for the consideration of Teachers and others engaged in the work of Public Elementary Schools." The change was typical of his whole outlook. He regarded it as essential to get his ideas by direct contact into the minds and understandings of the men who were doing the job. He wanted something more effective, more living, than compliance with regulations and instructions, and he remodelled the publications of the Department with this object. All this is commonplace enough now; but thirty years ago it wore a novel and unorthodox air.

But we must leave education and pass to the final phase. And here, it must frankly be said, Dr. Allen's picture disappoints us. He fails, it would seem, fully to appreciate the practical significance of the attitude to the Health Insurance Scheme which Morant, with deep conviction, held—an attitude which he himself had indicated plainly enough to Mr. Lloyd George, when invited to take on the responsibility for bringing the new Insurance Bill into operation. "Morant," we are told "reluctantly consented, but indicated to the Chancellor that the one thing that rendered the new post in any way palatable to him was the chance that it offered him of ultimately working towards the unification of the nation's health services." Admirable as that objective doubtless was, innumerable obstacles lay in the path to it, some of them created by the Insurance Act itself and by the many pledges that had been given to secure its passage. The fact is that the objective could only be attained in two phases, and that Morant, made responsible for the first phase, was only interested in the second. The immediately essential steps were to make the machinery for collecting the fourpences work, and to prepare the approved societies, the instruments chosen—for better or worse—for the distribution of the greater part of the ninepences,

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to carry out their new statutory duties with adequate efficiency. All this was just machinery, some of it bearing an unpleasant resemblance to the collection of taxes, and none of it showing any appearance, or holding out any evident prospect, of "unifying the national health services." Elijah could not feel at home in the company of publicans and sinners.

In such a situation conflicts were bound to arise, and arise they did. Some were inevitable in any circumstances; others were the product of the incompatibility between the Act as it stood, with all the scars of the fierce political battle upon it, and the Act as Morant would have wished it to be. Of some, though not all, of these conflicts Dr. Allen tells the story; but in the telling of it he does less than justice to the colleagues who, rather than Morant, played the effective part in making the Act, as a piece of machinery, work, and who did not share the belief that he expressed on at least one critical occasion, as to the necessity of postponing the bringing of it into operation. The full story of those days has yet to be told.

Up to the outbreak of the war, his best and most effective work was done on the medical side, particularly in the creation of the Medical Research Committee. It was here that his real interest lay, and although he had not as yet won the confidence of the medical profession, his breadth of vision and constructive outlook were already coming to be appreciated by the more statesmanlike of its members. It was beginning to be realised that there was something in what he, a layman, said.

But, singularly enough, it was the war, and the inevitable suspension of his more ambitious plans, that made his position in the turbulent world of National Health Insurance secure. With greatly reduced staffs everywhere, and a depleted medical service, his task was to keep the Act working, and to provide for the needs and rights of the civil population. It was said at the time by those closely associated with him that he had changed. His prestige within his Department grew. From a critic he had become a defender, for the moment, of the system as it was. He had an intense patriotism. To place the resources of the system, and of his Department, at the disposal of the nation for the purposes of the war was his only other objective. And in the end, when the war was over, he realized his master aspiration. Health Insurance and the Public Health services were unified at the centre: the Insurance Commissioners—always something of a thorn in his side—disappeared, the Ministry of Health was created, and he became the first permanent head of the combined departments. He died of overwork at the age of 56.

Morant was a great administrator, a great organizer, a master of administrative technique. Yet he bore no resemblance to civil

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servants, of less unconventional type, for whom the same claim could be made. He was no model for the young civil servant to found his style upon. His mind and temper were essentially bureaucratic; his methods peculiarly his own. He swept through Whitehall like a tornado; but he knew how to build, and his achievements and his influence will endure.

Dr. Allen has given us not so much a full-length biography as a sketch, not critical, but drawn with insight and on the whole with fairness, of a very remarkable man. Apart from a certain inadequacy in his treatment of the Health Insurance phase, the book can be warmly commended.

H. N. B.

POLITICAL AND ECONOMIC PROBLEMS Parliamentary Reform

By IVOR JENNINGS. Victor Gollancz. 3s. 6d.

THE preservation of political liberty, as we understand it in this country, turns entirely upon the authority of an elected Parliament; and the retention of such authority by Parliament depends upon whether it can be made compatible with the tasks now required of Government. Parliamentary Reform, therefore, is at the centre of one of the main problems of our day.

To this question Dr. Ivor Jennings's book is a most valuable contribution. It is compendious and compact, for it extends to less than 200 short and well-printed pages. But every chapter reflects not only the knowledge of constitutional law which would be expected from Dr. Jennings's professional qualifications, but also a mature judgment, and a close acquaintance with actual Parliamentary methods acquired and confirmed by intimate consultation with those who have had Parliamentary experience as ministers and members.

This combination is essential. How far Parliamentary experience alone is from being sufficient is shown by the unanimous conclusion of the Select Committee on Procedure in Public Business of 1931 that "the procedure of Parliament is sufficiently flexible to meet all the demands made upon it"; upon which Dr. Jennings justly remarks, "it is a conclusion which those who watch Parliament from a distance sufficient to see what it really does can only describe as ludicrous."

Dr. Jennings's proposals are made with the advantage of a firm grasp of constitutional principle and a clear recognition of the increased range and complexity of the legislation which is now demanded.

One of the most valuable chapters is that which discusses and dismisses "devolution" as a means of relieving Parliament. He shows,

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compendiously but conclusively, why neither the Webbs' scheme for the division of the functions of Parliament into two groups, the political and the social, nor Professor Ramsay Muir's proposals for devolution to "regional" legislative authorities, afford any solution. The fact is that the life and activities of the modern world, to which the machine of Government must adjust itself, are constantly increasing their geographical range and becoming both more interdependent throughout the whole of that wider range, while at the same time they become more complex in character.

The main framework of law and of the policy embodied in it must, fore, be uniform at least over an area as great as that comprised within national frontiers. Indeed one of the main-needs of the age is to extend beyond national frontiers through the development of international or world Government. The increasing complexity does indeed involve decentralization, but it is a decentralization of administrative machinery (within the limits of main principles which need more than ever to be co-ordinated at the centre) or of that kind of subordinate legislation, within the firm framework of general laws, which partakes of the character of administrative action. It is true that "private bill" legislation for the promotion of purely local purposes—the establishment of a municipal gas service for example—can be, and ought to be, changed. But while reform of the present procedure might both save municipal money and facilitate purely local projects, it would do practically nothing to relieve Parliament. Social and economic legislation cannot be developed locally. It is very likely that regional authorities with wider areas than those of existing local authorities will be required, for reasons similar to those which led to the creation of the L.C.C., but they will co-ordinate or absorb the kind of powers of administration and subordinate legislation which are exercised by existing local authorities; they cannot take over Parliament's powers of legislation proper. The real evolution as regards legislation proper, will be entirely in the opposite direction. The only devolution that is practicable is of quite a different kind, *i.e.*, a devolution of the detail of legislation, and this is likely to be functional rather than local, *i.e.*, it is likely to leave the Executive, assisted by functional advisory bodies, to fill in the detail of a law enacted in outline, or approved *en bloc*, by Parliament.

As regards the technical changes in Parliamentary procedure, all I can say is that Dr. Ivor Jennings's proposals are convincingly advocated; and that they are clearly based upon both intimate study and extensive consultation. I have no personal experience except as an official and private secretary twenty years ago, but both this limited experience and such discussions as I have had with those whose experience is extensive and recent make me confident as to the wisdom

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of what Dr. Jennings is proposing. (The reader will, for example, find it interesting to compare Dr. Dalton's article in the *Political Quarterly* of December, 1934.)

The most controversial part of Dr. Jennings's book is that which proposes "departmental committees." He quotes a strong protest by Mr. Lees-Smith against the closer association of members of Parliament with administration as distinct from legislation and the embarrassment which would thus be caused to the Executive. On the exact point at issue I agree with Dr. Jennings that Parliament is as much concerned with supervising administration as with legislation. Nevertheless my own conception of the true function of Parliament differs from Dr. Jennings's; I think that in both spheres its action should be less intensive and intimate. Looking at the machine of representative government as a whole in relation to modern needs, I think that Parliament should be content with its fundamental duties in regard to the main principles of legislation; in regard to broad policy as expressed in legislation or administrative action (to which, however, I would add the ventilation of grievances as arising in individual instances of abuse through "questions"); and the retention or removal from power of the Executive. That is I would "devolve" much more than Dr. Jennings (though of course he contemplates considerable devolution), to the Executive assisted by functional advisory bodies, recruited from outside Parliament. I think a geographically-elected Parliament is essential as the guardian of the principal rights and interests of the public; but that functionally-recruited bodies are required in connection with the elaboration and detailed application of social and economic laws. That is an alternative which I cannot defend here, but which I merely note lest, in expressing the warm approval which I feel of Dr. Jennings's book as a whole, I should be taken as agreeing with every aspect of the main conception on which it is based.

Dr. Jennings's book is being, and will be, the basis of discussions by politicians and parties which desire to make Parliament efficient for its modern rôle. I should like to see it also a text-book in universities—and a basis for both written and oral discussions arranged by the Institute of Public Administration, whose members are vitally interested in its problem and possess one of the main factors of experience relevant to its solution.

ARTHUR SALTER.

The Great Depression

By LIONEL ROBBINS. (Macmillan, 1934.) 8s. 6d.

THERE is not the slightest doubt that this is an important book, to which justice cannot be done in this brief notice of its publication.

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Its object is to examine the nature and the causes of the present depression of trade. In its acute form, and relating to the whole world, the depression is usually dated from the last months of 1929, but, as Professor Robbins rightly insists, an investigation of its causes must reach back to 1914. Thus the heading of his first chapter is "1914-1933" and we get the sequence: war, post-war, chaos, boom, collapse, the great depression. The next chapter which is headed "Misconceptions" contains a searching criticism of what Professor Robbins regards as superficial views of the causes of the depression—the fall of prices, over-production, deflation, shortage of gold, maldistribution of gold—from which he concludes that while some of this list are not explanations but merely re-statements of the problem, others are in conflict with fact. That the graphs on pages 25-26 will come as a surprise to many readers is certain, and it is also certain that the data on which the graphs are based—given in the statistical appendix—will not be allowed to pass without criticism.

Stated briefly Professor Robbins's explanation of the depression is that it is mainly due to monetary mismanagement in a war-dislocated political and economic system. In view of the demand in the years following the return to the gold standard in this country for a new policy in monetary management, the explanation is highly significant. A central feature of the policy was that relatively easy credit conditions should be maintained, and there can be little doubt that the policy was inflationary in its tendency. Making no pretence to be a sympathetic critic, Professor Robbins contends that it is precisely because such a policy was pursued that the present depression can be called the great depression. He boldly argues that, from the latter part of 1926 to 1929, in relation to the prevailing circumstances, the actual monetary policy was a policy of inflation, and that this is the central cause of the economic difficulties of the last five years.

To anyone who is accustomed to look outside this country for an explanation of our ills, Professor Robbins's search for the culprits will not yield much comfort, for he finds them especially in this country, and in the United States. An initial mistake of this country was its return to the gold standard at too high a parity, with the result that our price structure was in international disequilibrium. The rules of the gold standard required that credit should be restricted, but Professor Robbins insists that it was not restricted, rather it was expanded. As regards the United States, he further insists—following the view commonly expressed in that country—that the undue expansion of credit there was undertaken with the object of assisting this country in its difficulties. Thus it was that the conditions developed which culminated in the collapse of 1929. Perhaps enough has been said to indicate that the views Professor Robbins sets forth

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are highly controversial, and again it may be taken for granted that they will not be accepted without demur by everyone who has been prominent in advocating a new policy in monetary management. And, indeed, it may be that many who, like the present writer, are much more inclined to accept than to reject the case presented, will find difficulty in accepting in every detail the reasoning by which it is supported. However this may be, there will be general agreement that Professor Robbins has made a notable contribution to the discussion of a problem of vital importance to this country and to the world.

G. W. D.

Becontree and Dagenham

A Report made for the Pilgrim Trust by TERENCE YOUNG. (Published by the Becontree Social Service Committee, c/o Samuel Sidders & Son, Ltd., 115, Salusbury Road, London, N.W.6.) Price 10s. 6d., post free.

MR. TERENCE YOUNG has a good subject. Here is a place the population of which has increased from zero to 100,000 in 10 years; and that, not as the result of some such cause as the building of a railway, the birth or growth of a commercial enterprise, or the release of land for building, but by the conscious act of the London County Council who put the people there. How was it done and how has it answered?

These are questions to which there is at any rate a partial answer in this book.

To speak of a partial answer is not necessarily to imply a criticism. The author has described the growth of Becontree historically, and as it has been seen by those who lived in it and by a careful observer like himself. Another side of the subject—viz., the creation and growth of Becontree as seen by the builders of it—could probably only be written within the walls of the London County Council, and there only with difficulty, because owing to the magnitude of the work there would be a good many people who had a share in the labours, anxieties, disappointments, and encouragements involved in it. But (if a hint may be allowed to anyone able to write this story whether wholly or in part) people like to hear how things are done; and in particular would this be true of the readers of this Journal and a housing scheme of this magnitude. As regards the direct purpose which the London County Council had in mind, there is nothing more to be said than what is said on page 204 of this book. "As an alternative to ever-increasing overcrowding . . . the London County Council offered to its working-class citizens, many of whom were living in unsatisfactory conditions, accommodation which was not overcrowded, certain amenities about the house which only a few had

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previously, plenty of space, and better air. There is not the slightest doubt that these objects have been accomplished."

It is when we get to the incidentals that we are in difficulty. On these Mr. Terence Young says many interesting things, as well as including (as writers of books of this kind are apt to include) information more voluminous and statistics more elaborate than their significance really warrants. He notices that the organisations grow less intimate as the population grows; that the 'bus drivers and 'bus conductors introduced a new element (as residents, that is) into the community; that the public-houses are too few. When, however, he raises the question (page 112), "What are the people like?" he does not satisfy us by telling us what the sizes of the families are, or that there is an excess of males over females, or that there are very few people over the age of 45, though all these things are interesting.

But there are limits to what we may ask of a social survey, and Mr. Terence Young thinks clearly about these limits and observes them. He says enough to throw a light on a question which is not among those mentioned in the book but which may occur to some readers, viz., this: "Is it possible to create a town by assembling the parts, as a machine is put together: or is it an organism which grows from within and otherwise has only the appearance of life?" The answer is suggested by the 590 organisations started mainly by the churches and the large number of athletic clubs started mainly by the teachers in the schools. It is that neither of these metaphors is exactly true: the activities will take root and grow, but somebody has to plant the seeds of them, and this is equally true in a community which is the result of action from outside and in one which has grown up of itself.

There are useful maps. They are not all on the same basis, and it is sometimes a little difficult to follow things from one map to another. On page 65 reference is made to Becontree Station, but on the maps before that it had been called Gale Street, and it is not until afterwards that one learns that the station was renamed. On page 242 there is a reference to an accompanying map showing private estates, but the map does not accompany.

E. H. R.

Government-Operated Enterprises in the Panama Canal Zone

By MARSHALL E. DIMOCK. Pp. 248. (University of Chicago Press: Cambridge University Press.) 11s. 6d. net.

RECENTLY this Journal published a review of Dr. Dimock's—"British Public Utilities and National Developments." To his general study of the administration of public utilities in this country Dr. Dimock

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has now added an intensive study of the various activities of the United States Government in the Panama Canal Zone. The financial history of the canal and the great achievement which it finally represented in the field of engineering and of tropical medicine will not have suggested to most British readers that the administration of the Canal Zone affords a great variety of public services and of miscellaneous businesses under Government management for the inspection of a specialist such as Dr. Dimock.

The Panama Railway Company was incorporated in 1849, and was taken over by the United States Government in 1904. It is now merely an adjunct to the waterway which was opened in 1914. The railway company secured exclusive transportation rights across the Isthmus in 1867, and still possesses them. The construction of yet a third means of transport in the shape of a modern road would have far-reaching effects.

In the course of keeping its staff healthy and contented the railway and canal administrations (for they have not been completely amalgamated) have established a number of special services which are not usually found in Government hands, and when to these are added the miscellaneous transport services which an organisation providing transport across a tropical isthmus is called upon to render, the bag becomes very mixed indeed. Coal plants, baggage transfer, stables, telephones and electric clocks, hotels, refrigerator and ice-making plants, dairy-farm and extensive general stores, all these fall within the scope of Government enterprise. This incursion into business has not escaped criticism in the United States, where exception has been taken to the Government trading, especially in so-called luxury articles. Dr. Dimock gives an interesting account of the reasons which had led to this growth from "a pork-and-beans beginning to a silk-stocking maturity."

The Canal Zone is really a fortress, and all its problems of administration, as well as the conduct of commercial operations, are influenced at every turn by naval and military requirements. One-third of the population of the zone belong to the armed forces stationed there. This administration has always been entrusted to an army engineer, and he reports to the Secretary of War in Washington. Partly for this reason a great many of the services given by Government in the Canal Zone, and many of the administrative problems which arise, are of a highly local or specialized character. Notwithstanding, Dr. Dimock, in his survey undertaken on the invitation of the Secretary of War, finds useful pegs on which to hang many interesting and valuable comments on sound administrative practice in general. Apart from the value of the book as a report to his fellow-countrymen upon the administration of a national property

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representing an achievement of which they may well be proud, it also possesses a wider value and interest.

Members of the Institute will be particularly interested in what Dr. Dimock has to say in his chapter on personnel management; "The hiring, firing and promotion policies of the Government-operated services on the Isthmus are objects of great interest." He discusses fairly and temperately the position of the West Indian employees and the demand for their replacement by American citizens, and also the problem being stored up for the future by reason of the fact that the outlets which expansion of the Canal services can provide will be insufficient to support the natural increase of the population settled in the zone.

In his last chapter but one Dr. Dimock discusses various principles underlying Government public corporations: "Is it possible to keep the public undertakings' policies in substantial conformity with the basic social and economical objects of the general Government. . . . Does the undertaking produce satisfactory service in an efficient manner, and is the management's record relative to finance and the treatment of employees a commendable one?" To these and other aptly framed questions Dr. Dimock gives, on the whole, affirmative answers. "Not only does the public corporation operate under conditions favourable to successful management, but in its fundamental powers and restrictions effective methods of assuring responsibility for its acts are to be found." It will be well if this verdict proves correct, for as Mr. Brownlow says in his prefatory note: "This is a time when the United States Government and many state and local governments are turning to such corporations as a means of controlling and administering public commercial undertakings."

C. W. H.

Law Making in the United States

By HARVEY WALKER, Ph.D., Professor of Political Science, Ohio State University. (The Ronald Press Co., New York.) \$4.

PROFESSOR HARVEY WALKER is not only one of the more distinguished young professors in the United States; he has studied English political institutions on the spot. That is why the parts of his book on American law-making which deal with English practice make one hope that before long he will give us a book which deals more specifically with English methods of government. Naturally the volume under review is only concerned incidentally with administration. Very clearly, but with a wealth of scholarly detail (there are innumerable references to legal cases throughout the book, but these are kept in footnotes and need not irritate the casual reader), Professor Walker explains exactly how American law is made. He

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expounds the Constitution in a way which should make many puzzled Englishmen grateful, and he throws much light on the actual working of Congress and the State Governments. His description of the committee-system which characterizes almost all American legislative bodies is particularly significant in view of the suggestions which are made from time to time for lessening the congestion of the English Parliament; and it is interesting to find strong corroboration in American experience for the view that many local authorities in England suffer from an unco-ordinated system of committees which are larger and more numerous than they ought to be. In fact, most problems of government are common to England and the United States. Professor Walker makes no bones about the inconvenience arising in practice from the doctrine of separation of powers between the executive and legislative organs of government; and apparently America could learn one or two things from England—about the drafting of statutes, for instance, and even in the matter of delegated legislation, one of the points in the English constitution of which Englishmen have no reason to be particularly proud.

One fact stands out strikingly from this account of American politics, the extraordinary *conformity* of the forty-eight States in working out their individual constitutions. The example of the Federal Government, to take one instance, has been so slavishly followed that every one of the States possesses a legislature consisting of two chambers; and this seems the more remarkable when one has searched in vain through Professor Walker's book for evidence that the bicameral form of legislature has anything to recommend it. No doubt there is immense variety in American government; indeed, the skill with which the forty-nine constitutions, fifty systems of statute law and fifty of common law existing together in the United States are considered in a single volume without loss of lucidity, is the outstanding characteristic of Professor Walker's performance. But the similarity of the various institutions described strikes one even more forcibly than the differences. Anyone bold enough to tackle this formidable subject will be most agreeably surprised to find how intelligible and interesting a book has been made out of it by Professor Walker.

J. P. R. MAUD.

REFERENCE, GUIDE, TEXT BOOKS AND SPECIAL STUDIES

Unemployment Assistance—Scale of Needs

A MEMORANDUM has been issued by Miss Eleanor F. Rathbone, M.P., on behalf of the Children's Minimum Campaign Committee on the

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scale of need suitable for adoption by the Unemployment Assistance Board in assessing assistance to applicants under Part 2 of the Unemployment Act, 1934.

Reference is made to the Ministerial pledges given in Parliament and to deputations during the passing of the Unemployment Bill that the scale of assistance to be adopted would cover the least minimum subsistence needs. Attention is drawn to the Report recently made by the Conference between representatives of the Ministry of Health's Advisory Committee on Nutrition and the Committee of the British Medical Association on Nutrition.

The chief objection to basing a scale of assistance on data determined scientifically or on the authoritative findings of experts is that such a scale might, in the case of applicants with large families and belonging to ill-paid occupations, exceed their normal earnings. This is admitted in the Memorandum, and it is suggested therefore that this difficulty should be met by providing that the amount allowed must not raise the family income beyond the sum they would enjoy if the applicant were at work at his normal grade of labour. But to prevent the children in such cases suffering from lack of food, it is suggested that any assistance afforded them in the shape of school meals, etc., should not be reckoned in assessing the family resources.

Miss Rathbone is Chairman of the Organising Committee, and the address is Room 116, Thames House, Millbank, S.W.1, which is the same building as that in which the Unemployment Assistance Board is accommodated.

J. M.

Scientific Research and Social Needs

By JULIAN HUXLEY. Pp. xi + 287. (Watts & Co. 1934.) 7s. 6d.

THE most casual acquaintance with the trend of scientific research at the present time is sufficient to produce the conviction that life in the future is going to be very different from life as we know it to-day. It is clear also that this change could be very much more rapid than it seems likely to be at this moment. In several spheres of scientific work (nutrition and agricultural production are examples) the possible application of laboratory discoveries to the immediate benefit of humanity on a very large scale is only deferred because the full implication of the discoveries of science are not generally realised. In other spheres, notably the biological, psychological, and human sciences, scientific research has barely begun.

In the task of applying known discoveries and in making provision for further research it is not improbable that the State will be asked to extend still further the assistance which it already provides for scientific invention. For such reasons, apart from its general vivid interest, Professor Julian Huxley's book will repay the close attention

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of all students of public administration. It is interesting to know that the book was suggested by the B.B.C., and it is on the basis of the resultant twelve wireless talks and discussions, considerably revised and amplified, that it has been compiled.

Professor Huxley's task has been to provide a rapid survey of the progress of scientific discovery as it affects the everyday life of the man in the street. Accordingly, he reviews the chief scientific activities now being carried on affecting food, clothing, building, health, industry, communications and war. The need for similar progress in the general field of social life and human relationship is stressed in a separate chapter. A new note is sounded in the book when Professor Huxley calls for greater attention to consumers' needs, and points out that most of the research undertaken hitherto has been primarily in the interests of producers. When Professor Huxley confesses in his preface that until he began to collect materials for this book he himself has at best been dimly aware of "the vast amount of scientific knowledge and practical wisdom diffused throughout this country," he provides a sufficient indication of the value of the survey which he has been able to complete. It is hardly surprising that he finds "the lack of appreciation and understanding of science among business men, financiers, educational authorities, politicians and administrators is a serious feature in our present situation."

For a wider application of the benefits of scientific research he looks to "the scientific spirit and method in the shape of careful planning . . . scientific planning with an experimental basis wherever possible, and always in touch with scientifically ascertained fact." This is a programme for which there is constantly growing sympathy. In calling for the further study and development of the scientific attitude towards current problems, Professor Huxley is assured in advance of the assent of progressive opinion.

His stimulating volume, packed as it is with arresting illustrations of the great leap forward which has occurred in human knowledge during the last two generations, should be welcomed by the lay public who like to be aware of the forces which are shaping their own day and the destinies of those who will succeed them.

F. R. C.

A Reference Guide to the Study of Public Opinion

By HARWOOD L. CHILDS. (Princeton University Press. 1934. London: Humphrey Milford.) Pp. vi + 105. 9s. net.

AMERICAN students of political theory have done much to earn the gratitude of the rest of the world, and few things are more encouraging to those liable to take a pessimistic view of the future of political

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science than the energetic way in which its problems are being debated in the New World. The subject of Public Opinion, the forces which shape it and give it direction, offers an especially good illustration of the advance which can be made in a most unpromising sphere of political and social science by an insistent pragmatic approach.

One or two such studies have already been noticed in *PUBLIC ADMINISTRATION* in recent years. An especially warm welcome may therefore be extended to the comprehensive classified bibliography on the subject by Professor H. L. Childs of the Department of Politics at Princeton University.

It is a good deal more than a bibliography. Divided into 22 separate sections, each with short introductions, it provides also at the end of each section a number of "Topics for further investigation."

The selection of books recorded in the bibliography proper is comprehensive, and if it is far richer in American references than European, this is but a fair indication of the much greater attention the subject has received in the United States. In so wide a field it is inevitable that individual readers should notice one or two omissions. The lack of any reference to the extension work of the United States Department of Agriculture in changing the opinions of the American farming community seems most striking to the present reviewer. Among individual books worth a reference which are not included in the present edition are Graham Wallas's "Art of Thought," Wickwar, W. H., "The Struggle for the Freedom of the Press," "The Contact between Minds," by Dr. Delisle Burns, Keyserling's "World in the Making," and Samuel Bailey's "Essays on the Formation and Publication of Opinions." The section on the Foreign Press contains a bare fourteen references, which might very usefully be expanded. Room should certainly be found for a reference to Otto Groth's monumental treatise "Die Zeitung."

A certain amount of duplication is inevitable, but the attempt might be made to improve the present grouping of works on psychology. These, however, are minor matters, and Dr. Childs can be congratulated on having made a useful contribution to the study of politics and administration.

F. R. C.

The Agricultural Register, 1933-4

Issued by the Oxford Agricultural Economics Research Institute, 1934.
Pp. 229. 3s. 6d.

THE foreword is by C. S. Orwin, the Director of the Institute. The Register falls into two parts: the New Agricultural Policy (Sections I-III), and statistical detail relating to output, supplies, prices and employment (Sections IV to VI). The last section (VII),

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Miscellanea, adds notes on Weather, Tithe Rentcharge and Agricultural Credit.

The second part is of interest indeed, but it is to be hoped that in future issues it will remain of modest size, in order to give scope for the amplification of the first part, which is of outstanding importance. Section I deals with principles, II with legislation, III with administration. The principle is legal compulsion, the method the marketing board of producers endowed with legal monopoly. The laws are the Agricultural Marketing Acts of 1931 and 1933, and supplementary to these in the new policy are the Wheat Act of 1932, the Import Duties Acts of 1932—the general tariff and the special tariff against Ireland—and the Trade Agreements concluded with the Empire and foreign countries. Section III shows the schemes at work, or rather beginning to work, the first stage being the Reorganisation Commissions, whose Reports, commodity by commodity, are available in the orange books of the Ministry of Agriculture and Fisheries. The Register thus records the opening chapter of what is nothing less than an economic revolution. In order to overcome agricultural depression, the State has jettisoned voluntary co-operation and endowed certain producers with powers of monopoly undreamed of since the days of James I. These powers are growing daily by legal and administrative encroachment, and the Register of 1935 will have strange things to relate about the proposed Herrings Marketing Scheme.

The editor asks for suggestions. May we therefore suggest the need for an inquiry into (a) the relation between State compulsion and voluntary organisation; as represented, for example, in the Scottish Milk Scheme; and (b) the cost of all this legislation to the citizen as taxpayer and domestic consumer who is made legally subject to a State-enforced price. A recent article in the *Round Table* (September, 1934) puts this as around £17 million per annum, made up as follows: wheat £4½, sugar £6 (consisting of subsidy and excise remission), meat £3, milk £2½, together with a further indirect charge, arising from the restrictions of the import quota system, of say £11 millions, totalling say £28 millions. The new system of protection subsidy and State-controlled marketing has overthrown the sovereignty of the Annual Budget and is piling up under a new régime of administrative law liabilities and burdens of which the end is not in sight. The protection given to the consumer is of the flimsiest order, being represented by committees of consumers, who may examine and talk, but who do not function with administrative power.

The Agricultural Register will be an indispensable guide to these problems and perplexities.

C. R. FAY.

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Guide to Current Official Statistics

Volume Twelve, 1933

H.M. Stationery Office. 1s.

THIS volume, like its predecessors, is a careful, conscientious, unimaginative work of definite but limited utility. The Permanent Consultative Committee on official statistics, which prepares this annual index, was set up in 1921 by the Government of that day as a small concession in response to a petition from persons eminent in the statistical and business worlds in favour of a greater co-ordination of official statistics. The statistical abstract prepared annually by the Board of Trade, and this annual guide prepared by the Permanent Consultative Committee, are admirable of their kind. But one only has to compare them with the statistical Year Books of the British Dominions, of Germany, or of the U.S.A., to realise the poverty of their scope. The task of indexing is a humble but necessary one; but one is entitled to expect something a little more positive and constructive from a department which should by rights be "the eyes and ears of the Government."

C. C.

The Statesman's Year Book, 1934

By M. EPSTEIN, M.A., Ph.D. Pp. 1,478. (Macmillan.) 20s.

It is 71 years since the first issue of this well-known work was published, and it is not therefore necessary to give many details as to what it is and what it attempts to achieve. Briefly, a mass of facts have been gathered together, relating to the population, commerce, defence forces, finance, etc., of the various countries of the world, including Great Britain and the British Empire. A few elementary pieces of information concerning their governmental systems are also provided.

These facts have been grouped under the names of the various countries to which they relate. It is on that account exceedingly difficult to obtain any general information as to the present world position in regard to trade, currency, disarmament, and the like. It is, indeed, difficult to track down any reference at all to the recent World Economic Conference, whereas it is easy to find a brief account of the Local Government Act, 1929. Within these limitations the information is well set out, and is not overburdened with advertising matter.

In several respects the present edition lags behind contemporary events. Unemployment and its problems are hardly ever mentioned, neither is sufficient space given to the developing social services, such

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as those which are connected with public health. Again, the importance of the tariff system of the countries of the world seems to be greatly underestimated. Much more information should be abstracted from such publications as the annual reports of the Ministry of Health and the Ministry of Labour. A wholly disproportionate amount of space is devoted to the defence forces.

T. S. S.

The Public Authorities Protection Act, 1893

By J. J. SOMERVILLE. Pp. xxiii, 207. (Sweet & Maxwell.) 15s.

A BOOK on the Public Authorities Protection Act, 1893, has been needed for some little time, not only by lawyers with a practical interest in the Act, but also by those whose interest is wider. For the Act is indeed one of the mysteries of modern legislation. Defended as a consolidation measure by those responsible for its passage through Parliament, it nevertheless laid down several new principles of the greatest practical importance. It affords an example of the weakness of the parliamentary machine when dealing with seemingly technical Bills, and of its inefficiency as a revising body. The book tells the story of the passage of the Bill through Parliament in a manner that cannot fail to attract the attention of those who desire to investigate the process of legislation.

It is really a staggering fact that Parliament saw fit to lay down in a short Act extending over two pages of the Statute Book that an action against a "public authority" shall not lie unless it is brought within six months of the act, neglect, or default complained of, and that an unsuccessful plaintiff in such an action shall be compelled to pay the "solicitor and client" costs of the defendant. This is especially remarkable when it is realised that no attempt was made to justify these dubious rules in Parliament. Most of those who read Mr. Somerville's book will go hot-foot for amending legislation, or for an out-and-out repeal.

Never again after examining the difficulties of interpreting the Public Authorities Protection Act will anyone be able to repeat the hoary fallacy that the judges do not make law. When confronted with this Act—which incidentally did not even attempt to define what it meant by a "public authority," and which sought to legislate for the whole complex field of administrative activity in a few lines—the courts could not avoid legislating under the guise of interpretation. And now that the process of interpretation is well advanced, the Act has been robbed of most of its sweeping generalities. "It appears to me impossible to suppose," Lord Justice Atkin has said, "that the Act should be so applied to defeat any cause of action against the public authority at all." Such is the might of interpre-

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tation! The tendency of the courts to limit the application of the Act has been most marked since the case of *Bradford Corporation v. Myers* was decided in 1916. And if the great stumbling block of the Court of Appeal case of *Carey v. Bermondsey Corporation* is one day removed by some bold adventurer willing to risk his all in the House of Lords, the remnants of the Act will be sorry indeed.

The book is admirable, but the abbreviations contained in the text are irritating beyond words. Surely the legal mind should revolt against a practice which attaches *two* meanings to the mystic symbols "S.L.R."? Which, we learn from the "List of Abbreviations," should convey either "Statute Law Revision," or "Scottish Law Reporter" to the mind of the reader, according to the context.

T. S. S.

The Law and Practice relating to Meetings of Local Authorities

By ALBERT CREW. Pp. 244, excluding appendix and index. (Gee & Co. Ltd.) 21s.

THIS book, while not comprehensive, covers much ground in a small space and deals with the subject in a concise and handy form, giving several references to cases decided in the courts. It might usefully therefore form part of the stock in trade of all members of local authorities and of all committee clerks.

Part I deals with the government and control of corporations; Part II gives in brief form an introduction to local government generally, and contains chapters of special interest on defamatory statements made at meetings of local authorities, corruption, and publicity of proceedings; Part III is concerned with members and meetings; and the rest of the book is devoted to chapters on the constitution of the different types of local authorities, the special functions of assessment, education and public assistance committees, and the local government of the metropolis. It contains as an appendix extracts from the standing orders of the London County Council, which might well serve as a model for some local authorities to follow.

The book is apt to suffer from repetition of small points, but this is doubtless due to the author's desire to impress them upon his readers. It is not without touches of humour, an unusual thing in a work of this nature. For instance, in referring to the powers of chairmen to remove or order the removal of disorderly persons from a meeting the author naively advises that discreet chairmen will invariably delegate their power to a stalwart servant.

M. L.

Reviews

Local Government

By H. LLOYD PARRY. 251 pp. (P. S. King & Son, Ltd.) 6s.

THE difficulties which confront anyone attempting to describe the past, present, and future of English local government are many; if, in addition, he also attempts to do this within the covers of a small easily readable book these difficulties become almost insuperable. Mr. Lloyd Parry in these lectures, originally delivered as a University Extension Course at Exeter, recognizes this, for though it is claimed that the lectures "trace the history of our local government, the principles that underlie it and the trend of its development" he is careful to point out that the object is "not so much to impart information as to create an interest in the subject and stimulate thought." The book must therefore be judged in the light of these more limited yet nevertheless important aims.

In his difficult task Mr. Parry is on the whole successful. The keen student, and in fact any person who already knows a little about local government, will find any number of points which he will want to investigate further. After a sketch of the development of local authorities each service is taken, its development is outlined, and some of the problems associated with it are indicated. A chapter on Finance and one pointing out some contrasts between the English and other systems of local government complete the picture. Many of the points indicated are, of course, already well known, e.g., the weaknesses of the Towns Meeting, but that was only to be expected and the book loses nothing thereby. Sometimes Mr. Parry appears to be too complacent and uncritical, and most readers would wish to share his confidence that, "In our State scheme of education there are no social barriers" (p. 116).

Undoubtedly there still exists the need for good readable general books on local government, notwithstanding the number published in recent years, and therefore Mr. Parry's book should be welcomed. But there is an even greater need to increase our knowledge of the detailed practical working of local government; in fact, were it not for the occasional Reports of Committees and Commissions our written knowledge would largely be confined to the statutes. It is therefore disappointing that Mr. Parry does not give us the benefit of more of his practical administrative experience. True, some of his experience is revealed in this book, as when, referring to the legal indistinctness between sewers and drains, he remarks that "lawyers continue to rack their brains and fill their pockets," and his opinion that "as a rule, the committee work is well performed, matters are discussed on their intrinsic merits, the Committee have the guidance of officials, and in the absence of the Press there is no temptation to verbosity."

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Perhaps Mr. Parry will in the near future give us the full fruits of his experience as Town Clerk, and deal especially with the internal and external relations of the council.

D. N. CHESTER.

Where Labour Rules

By H. R. S. PHILLPOTT. (Methuen.) 2s. 6d.

THIS little book, compiled from articles written for the *Daily Herald* in the spring of 1934, aims at being a record of facts rather than of impressions. The facts are those which seemed to the author most significant of what, in the way of social improvement, Labour majorities on municipal councils had achieved in seventeen areas in England, Scotland, and Wales. A captious critic might object that no comparative facts and figures are offered to show what other municipalities where Labour does *not* rule have achieved in the same directions. And so uniformly good are Mr. Phillpott's reports that one suspects him of having worn rose-coloured spectacles on every visit. His survey can be better recommended as a compendium of useful information for speakers on Labour platforms than as an impartial survey of the subject. The part which Labour plays in municipal politics deserves a more profound study.

A. L. D.

The City Manager Profession

By CLARENCE E. RIDLEY and ORIN F. NOLTING. (The University of Chicago Press, Chicago.) 9s.

THIS book, written by the Director and Assistant Director of the International City Managers' Association, gathers together in a convenient form a number of significant facts relating to the present stage of development in the evolution of the Council-Manager plan. The I.C.M.A. is an incorporated professional organization of city managers which through its consulting service encourages city managers to administer their cities in accordance with the best methods which research and actual experience can discover. Since 1923 when Louis Brownlow, well known to members of the I.P.A., was its President, the Association has had a permanent secretariat and headquarters now situated in Chicago. Its monthly organ is *Public Management*, and it publishes also that invaluable guide to American local government—*The Municipal Year Book*.

The facts, here collated under the auspices of the I.C.M.A., appear to be in the main based upon a comparison of various council-manager charters, and of data obtained from some 629 managers who were in service during the period 1931-33 by means of a question-

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naire. These facts, though they relate to a type of municipal officer never likely to be introduced into this country, are full of interest for students of the Hadow Report. For questions of qualification, and of previous education or experience, are necessarily "live" topics whenever and wherever there is need for filling a post in the public service for which administrative and organizing, rather than professional and technical abilities, are required. As one might expect, the qualifications of a public administrator are far more important for the manager of a large city than for one in charge of a small, since the latter will himself probably also be in charge of one or more of the principal departments. As Appendix 1 shows, the urban areas with city managers vary enormously in size: whereas out of 425 council-manager cities there were on 1st April, 1934, only 18 cities with populations of 100,000 to 450,000, 239 others had populations of under 10,000. A sprinkling of them had less than 500 inhabitants. For a hamlet of 222 people (like Polk City in Florida) to have a city manager at all strikes one as odd. Perhaps the only municipal employee he has to manage is himself!

However, the need for a single organization like the I.C.M.A. to cater for all city managers irrespective of the size of the city where they are located is probably justified in order that councils may be encouraged to appoint men who have already had experience as managers in other cities. The Association has approved a scale of pay which varies with the size of city and, in helping to maintain a high professional standard, it encourages the hope in the mind of every member that he will be able to advance further up the ladder of promotion from the less to the more important cities. Such advancement is quite usual.

With regard to previous education, one learns that out of 547 cases examined 233 city managers held a college or a high-school degree; of these 76 were in some branch of engineering, and only 7 were in the field of public administration. It would seem that although in the universities of America much more attention is paid to the teaching of "government" or public administration than is the case in this country, yet little use is being made of such courses as direct stepping-stones to city managership. On the other hand it is interesting to note that "at least five Colleges and Universities now offer one-year graduate courses designed specifically for the training of city managers." The qualification for entrance to these courses is a social science or arts degree, and the courses therefore correspond to what we should call post-graduate research courses. Field work is an essential part of the study. Of those who have graduated in these special courses 30 have held or are now holding positions either as city managers or as assistant city managers. The authors say that

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"Experience has proved that it is a distinct advantage for the prospective city manager to have had at least one year of graduate work in public administration."

A. L. D.

The Local Government of the United Kingdom and the Irish Free State

By JOHN J. CLARKE, M.A., F.S.S. Ninth Edition. 1934. Pp. xiv + 738. (Sir Isaac Pitman & Sons, Ltd.) 12s. 6d.

Outlines of Local Government of the United Kingdom and the Irish Free State

By JOHN J. CLARKE, M.A., F.S.S. Eleventh Edition. 1934. Pp. x + 308. (Sir Isaac Pitman & Sons, Ltd.) 5s.

Outlines of the Law of Housing and Town Planning

By JOHN J. CLARKE, M.A., F.S.S. Second Edition. 1934. Pp. li + 366. (Sir Isaac Pitman & Sons, Ltd.) 10s. 6d.

It will be an unnecessary task to praise the labours of Mr. Clarke to readers of PUBLIC ADMINISTRATION, for there can be few who have not had occasion to seek help and guidance from his works.

Mr. L. Hill has contributed a Foreword to the Ninth Edition of the larger treatise on Local Government, in which he rightly observes that the book is unique in its scope and authority.

The new edition has been drastically revised in the light of the Local Government Act of 1933, and it is considerably enlarged. It now includes a brief survey of the history of Local Government which is especially opportune in view of the centenary commemorations next year of the passing of the Municipal Corporations Act of 1835.

The "Outlines" are even better known than the larger work, and the innumerable students who will study the volume will be grateful to Mr. Clarke not only for the wealth of material he has provided them, but for the modest price at which it is published.

F. R. C.

The Struggle for the Freedom of the Press from Caxton to Cromwell

By WILLIAM M. CLYDE, M.A., Ph.D. Pp. xvi + 360. (Humphrey Milford.) 1934.

ANYTHING throwing light on the history of public opinion should present several points of interest to students of public administration. No apology is needed therefore to record in these columns a pains-

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taking and very detailed survey of the struggles to which the beginnings of freedom of the press in England can be ascribed.

The book is devoted almost entirely to events in the reign of Charles I and in the Commonwealth period. It is packed with citations from original documents which are a tribute to the author's careful industry. Unfortunately they do not seem very well organized and give the impression that despite his efforts Mr. Clyde's material has been too much for him. The chapters are in chronological sequence as is inevitable, but the topics discussed in them often seem to consist of notes on the various events, which are not always well knit together.

In some particulars the information could well have been more definite. The system of licensing printers by patents is of course mentioned, but the special reasons why the patent granted to the King's Printers was "more profitable to possess than freedom of the Stationers Company," is not traced to its real cause, the privilege of printing Bibles, Acts of Parliament, Royal Proclamations, and so forth. The merits of the patent system in the absence of the present system of copyright also deserve clearer formulation.

Dr. Clyde has, however, much to say that should be read by all interested in the history of printing and bookselling. Something also can be gleaned from his pages on the methods of printing for Crown and Parliament in the disturbed days of the Civil War. The full documentation of the book and the verbatim reprint of some of the more important contemporary documents (Decrees, Acts, and Orders, etc.) in an appendix will add to its value as a solid piece of historical research.

F. R. C.

Simple Economics

By F. H. SPENCER, D.Sc., LL.B. Pp. 208. (University of London Press.) 1934.

THIS little book by the late Chief Inspector of Education to the London County Council should be found useful by students in evening classes and the top forms of central schools, for whom it has been chiefly designed.

It is clearly written and has one or two useful diagrams and illustrations, which are so good that beginners would no doubt like more of them.

On the whole the treatment of the subject is on sound conservative lines. The outline of monetary theory might usefully be brought a little more into relation with present-day practice. Thus the five qualities of money necessary "if people are to take it in exchange

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for goods " (pp. 83-4) are not applicable to the most valuable forms of money of which readers of the book have any experience, namely banknotes. In the discussion of international trade and tariffs more might be made of the political factors which are now so powerful. The concept of elasticity of demand developed earlier in the book might be introduced into the discussion of the incidence of tariff duties, and it might have been pointed out that Adam Smith's canons of taxation have not said the last word on the subject of public finance.

JL

F. R. C.

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Books Received

Books received include the following:—

<i>Title.</i>	<i>Author.</i>	<i>Publisher.</i>	<i>Price.</i>
South African Journal of Economics	Economic Society	P. S. King	6/-
Papers of Charles V. Chapin	Frederic P. Gorham	H. Milford, Oxford Univ. Press	6/6
The Foreign Office	Sir John Tilley and Stephen Gaselee	Putnam	7/6
City of Manchester, 1934	C. M. Little	Manchester Town Hall Committee	—
The Budgets in Governments of To-day	A. E. Buck	Macmillan	£3.00
Fascism at Work	William Elwin	Hopkinson	10/6
Beyond the New Deal	David Lawrence	McGraw Hill Publishing Co.	10/6
The Post Office, 1934	G.P.O.	—	1/-
International Comparisons of Cost of Living	International Labour Office	P. S. King	5/-
International Standardisation of Labour Statistics	International Labour Office	P. S. King	1/3
Collected Works of Carl Menger, Vol. I	—	London School of Economics	10/6
Financial Administration of Saorstát Éireann	J. B. O'Connell	Browne & Nolan	1/-
The Methods of Freedom	Walter Lippman	Allen & Unwin	4/6
Social and Economic Reconstruction in the United States	International Labour Office	P. S. King	4/6
European Governments and Politics	Frederic A. Ogg	Macmillan	18/-
Social Judgment	Graham Wallas	Allen & Unwin	5/-
History of Food Adulteration	Frederick A. Filby	Allen & Unwin	10/-
Growth of Philosophic Radicalism	E. Halevy	Faber & Faber	12/6
Introduction to the Use of the Public Records	V. H. Galbraith	Clarendon Press, Oxford	5/-

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உவனாத்தாள்.

சே எண் :

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