

To compare the organization we have proposed with a business organization, Cabinet would be in the position of a board of directors, each director taking special care of a particular section of the work. The Board of Management would be in the same position as the general manager of a business, and the departmental heads would be in the same position as the branch and department managers in business, with the exception that they would come into more personal contact with the Ministers than business branch and department managers generally do with their directors. It may be argued that there is a vast difference between conducting the affairs of the Dominion and the affairs of a business, and no doubt this is, to a certain extent, true. But, at the same time, there are so many points of resemblance that they may be called "first cousins," and the present tendency, not only of this Dominion but of other countries as well, to extend their activities more and more to fields which only a generation ago were looked upon as the preserves of private enterprise, is bringing the relationship between business affairs and the affairs of a country continually closer and closer. The fact that Public Service conditions the world over are not meeting Public Service requirements is clearly evidenced by the number of Commissions that have been set up in different countries during recent years to deal with the subject. When the Dominion finds that its old organization is not dealing efficiently with its business activities, it is surely wise to look around the field that it is invading and learn a lesson from the organizations that have been most successful in carrying on activities similar to those which the country has taken up. In the competitive race of business, in which only the fittest can survive, the organization that has not only survived but is now becoming almost universal in extensive business is that of the concern whose policy is controlled by a board of directors. That policy is carried out by a general manager, often with one or more assistant general managers, working through numerous branch and department heads. An organization that has beaten all others in the active and keen competition of business has surely something to recommend it and is worthy of consideration, and if it cannot under present political conditions be adopted in its entirety, the best thing to do is to come as near to it as possible.

Our only fear in this matter is that the subjection to Cabinet may not entirely remove the suspicion of political interference. Our hope is that it will, and we want to make it perfectly clear that it is in this hope and belief that we make the suggestion. There are two dangers: on the one hand, a Board free from all control by Cabinet may become too autocratic, and may even drift into position antagonistic to, or at least not in sympathy with, the Government of the day; on the other hand, Cabinet may desire and decide to do certain things which in the opinion of the members of the Board, or a majority of them, would savour of interference with management. We think these dangers can be met by having the position of each clearly defined. It should be provided that in all matters relating to the control and management of the Service—we mean appointments, salaries, promotions, suspensions, dismissals, and indeed everything affecting officers—the Board shall have absolute and undisputed power, whilst on the other hand Cabinet, of course, should lay down the policy and direct the work to be done. Cabinet would have the right of veto, but every occasion on which such right is exercised should be reported to Parliament, with a full explanation, at its first sitting thereafter. If the relative positions of Cabinet and the Board to the Service are thus clearly and unmistakably set forth, no cause of friction should arise, and everything should make for harmony and efficiency.

Having set up the Board of Management, we next come to consider the methods which it should adopt in its work. Amongst its first duties it should (a) block all "back doors" of entrance to the Public Service, (b) arrange that all promotions should be made from within the Service, and (c) arrange for free transfer of officers between the Departments.