obvious. But there is a widespread reluctance to face the facts, and, unfortunately, that reluctance extends to the Public Service. It is scarcely an exaggeration to say that there are two Public Services in New Zealand to-day. One consists of the old-established Departments which have carried on through the war with depleted staffs and with some addition of special war functions. The other consists of new agencies which have sprung up to carry out special war tasks and which are staffed in a large measure by men and women without public-service training. They are all children of the War Expenses Account, and it seems to be generally assumed that when the War Expenses Account is wound up they will disappear overnight. The pleasant anticipation with which most properly trained public servants look forward to this day is understandable. The ideas and the methods of this temporary wartime Public Service have been a sad trial to them, and they can be excused for storing up a vision of a time when public administration will return to its old traditions and its old simplicities.

Public and Private Business

There is a strange notion that public servants are naturally grasping for power and that every new regulation, every new extension of the powers of the State, is a keen source of pleasure to them. The truth, in my experience is rather the reverse. Judged by its methods of recruitment and training, the Public Service has been markedly reluctant to prepare itself for the work of regulating or actively directing economic enterprises; in these respects it is still very much the product of the reforms of 1912-reforms conceived by men whose instincts were to set the narrowest possible limits to State activity. One result of this is that, for the new tasks of economic regulation, the State is beginning to recruit its administrators from the ranks of business managers. Further than that, it has in at least two important instances converted, or partially converted, a private business into

an administrative agency. This blurring of the distinction between private and public business is one of the most significant developments of our time; and we are bound to recognize that, whatever advantages it may have, it has also some ominous possibilities.

Safeguard of Democracy

One of the surest though one of the least advertised safeguards of democracy in this as in other British countries has been the discharge of the day-to-day work of Government by men and women recruited in open competition from all classes and trained in a tradition of service to the community. The possibility, which is perhaps more than a possibility, of a gradual shift of administrative power and responsibility from the "regulars" of the Public Service to a new class of administrators whose background, training, and connections have been acquired in the market place is one which may justifiably cause uneasiness. Nothing is more certain, however, than that this shift of power will occur-or should I sav "will continue"?-if the "regulars" take the comfortable view that this vast and tangled apparatus of wartime controls is an abnormality which will disappear after the war. There may be good reasons for believing that after the war there will be some popular reaction against the controls and some abatement of them. But the reaction will not go far enough to alter the general picture. Whether they like it or not, public servants must see in wartime controls the shape of things to come and prepare themselves accordingly. And preparing themselves means nothing short of a top-to-bottom overhaul of recruitment, training, and promotion in the light of the fundamental changes in the scope of State activity which have taken place in the last twenty years, and particularly in the last decade. The alternative is for the Public Service to become a sort of State clerical service under the direction of a new type of administrator-manager drawn from industry.