

report of the Treasury Board, has power, under section 12 of the Finance and Treasury Board Act, to prescribe the manner in which each Department of the Public Service shall keep its accounts; but this power does not appear to have been exercised up to the present time. Uniformity in the system of account-keeping is a matter of some importance; and I think it would be well if the subject were taken into consideration at an early date. Probably the most convenient procedure would be for a committee consisting of a representative of the Auditor General's Department and a representative of the Finance Department to examine the various systems at present in use, and then prescribe one uniform system for the whole service.

(vi) *Medical Referee.*—In paragraph 96 I suggested the appointment of a medical referee to examine the certificates of ill health put forward in support of applications for superannuation. I think that the functions of such an official could be usefully extended so as to include the examination of certificates of ill health in support of applications for leave of absence. If such an examination were instituted an appreciable number of the certificates would in all probability be found to require reconsideration.

(128) In the earlier portions of this Report I have indicated the important points which appear to require attention in connection with the organisation of the public service; such as the amount of routine business transacted by Ministers both in Council and in their Departments; the necessity for a closer control over the expenditure; the practice of transacting business by oral discussion rather than by correspondence; the want of a proper classification of the duties and staff in the several Departments; the appointment and promotion of officials on political grounds rather than on merit; and the establishment of a system of retirement.

But of all the topics on which I have touched the two which appear to me to be the most important are first, the relief of Ministers from routine and administrative duties so that they may be set free for the consideration of policy; and secondly, the improvement of the organisation and personnel of the Public service so that it may be in a position to cope efficiently with the business of the country, not only in the present, but in a future which is day by day developing additional work and fresh responsibilities.

I desire to urge as strongly as I may that for the creation and maintenance of an efficient Civil Service three essential conditions are required:—

(1) The best material in the country must be attracted into it and induced to remain there.

(2) To this end the service must be so regulated as to provide a permanent career in which promotion will depend on individual merit exhibited in the daily performance of duty.

(3) It follows from this that the mutual relations of Ministers and Civil Servants alike must be conducted with a loyal and single-minded devotion to the public service, from which all considerations dependent on the political views of individuals should be wholly excluded.

Whether and how far it is possible to realise these conditions it is not for me to say. But I feel confident that, until they are realized, the Public Service will not be such as the Dominion is entitled to expect, or such as is essential for the proper transaction of its business.

I have the honour to be, Sir,

Your obedient servant,

G. H. MURRAY,