

APPENDIX A.

EXTRA PAY FOR EXTRA WORK.

Mr. TILTON having asked Mr. J. C. Stewart the following question :—

Q5. In view of a rule that exists in the Service, that the permanent clerks of one Department may be employed in another after hours and paid extra therefor; is it not somewhat of a hardship that the clerks in your branch, who ovince so much diligence, should be required to work after hours without some additional remuneration?

Mr. Stewart sent in the following memorandum in relation thereto :—

I can hardly answer this question without going at some length into the whole question of extra allowances in the Civil Service. For many years I have had to view this question thoughtfully from every aspect, and no one, perhaps, has combated more strongly than myself, both by teaching and example, the abuses for years existing in the Service in the administration of extra pay. In the abstract I do not advocate nor approve of extra pay to employes in any institution, believing that the employes salaries should be so graded as to provide for variations in the probable amount of work expected of each, and that a mere temporary pressure of work affords to a clerk an opportunity of displaying his assiduity and devotion, which, in a perfectly organized service—where reward went by merit—would be soon followed by fairly earned promotion. The Civil Service is, however, a wholly different body from the employes of any other institution, and it is idle to seek to govern it by rules which would be applicable to bank clerks or clerks in mercantile employ. One Civil Service Act governs all Departments, no matter how different the work or requirements of the various Departments. One uniform rule governs the hours of attendance, and it may fairly be assumed that so long as all Departments are governed by one and the same Act, an equal portion of his time, say from 9:30 to 4 daily, is expected on an average, by the country, from every civil servant (that is, the general body of clerks).

The clause of the Civil Service Act of 1868 forbidding extra pay to "any clerk for any duty performed in his own Department," is intelligible enough when viewed in the light of the chief abuse which the clause was intended to remedy, which I understand to have been the state of things under which the preparation of the Public Accounts was year after year deferred to so late a period that it could only be accomplished by extra attendance on the part of the compiling officers, who then claimed extra pay for work allowed by themselves to fall into arrear.

A far greater abuse was, however, not only left untouched by this Act, but was actually fostered, if not created, by its provisions until it grew into what was little short of a scandal in the Service. The veto against the allowance for extra pay for work done by a clerk in his own Department was soon regarded as implying that no clerk should be expected to do any extra work in his own Department, and as there was nothing to prevent the employment of clerks from other Departments, a system came into vogue of the mutual employment between various Departments of each other's staff after office hours,—a system damaging to the usefulness of the clerks themselves, thus allowed to think that the Government had no right to demand their service after 4 o'clock when necessary, one leading to the clerks fixing their thoughts rather on how they could get employment after 4 o'clock than on how they could best discharge their duties before that hour, and one, I know, leading, if not to the creation, certainly to the undue prolongation of work of the character designated "extra work," and paid for by the hour as such. The clerks in my own office were at one time (before 1873) allowed to undertake extra work in another Department,

and it has been mentioned to me that as they walked in to that Department the clerks, or some of them, whose duty they went to perform at 50 cents an hour, walked out to go to yet another Department, there to get extra pay for assisting in other work. Yet this was, and still is, allowable under the law. I do not say that it is still practised; I merely mention the weakness in the Act. If anything of the kind should be forbidden by the Statute, it should rather be, my experience suggests, the employment and payment by one Department of clerks from another Department.

If *bonâ fide* "extra work" has to be done (and with conscientious supervision mere arrears or temporary pressure can never justify the title "extra work"), how much better to let those do it who are familiar with the books, and no abuse is possible if the supervising officer be not a sharer in the extra pay (a position I have always taken, although at perfect liberty to have included my name as a sharer in the extra pay for six successive years allowed to my staff), if payment be by the piece and not by the hour, and if there be a clearly defined scheme showing what is to be regarded as legitimate daily work, and what extra work.

The Post Office Act requires that interest shall be computed and added to depositors' balances on the 30th June in each year. While the work cannot be anticipated, neither can it be extended over an indefinite time, to be performed during the intervals of routine work during regular office hours, it demands the utmost despatch in its completion, because the current business of making repayments to depositors cannot be interrupted, and every withdrawal during the progress of balancing is at a risk of dangerous error being subsequently found. To narrow this period of risk, close attention during prolonged hours in the hottest month in the year is exacted from the clerks engaged in the work. To meet the contingencies of absence, either from illness or from alleged inability on the plea of ill-health, on the part of any member of the staff, to conform to the long hours of attendance exacted, I am of opinion that the performance of this duty must be met by a direct payment to each clerk in proportion to the amount of extra work done.

The system of book-keeping followed in the Post Office Savings Bank admits of the daily work throughout the year being carried on with a minimum of clerical force, and, therefore, at a minimum of cost for salaries; but imperatively demands the prompt and immediate balancing of the depositors' accounts at the close of the year, so that there may be no interruption of business with depositors whilst the balancing is in progress. It has never yet been possible to put the whole staff of the Savings Bank on the annual balancing, one or more having been absent owing to ill-health, and others having proved incompetent (from inexperience) to undertake it. Nevertheless, as those by whom the work was done, though at a considerable tax to themselves, received proportionately larger remuneration therefor, (the absent and not qualified clerks getting none) they felt it no hardship to do their fellow-clerks' share. Unless met, however, by a direct payment, it would be useless to expect those who do the work to see, with patience, certain of their fellow-clerks leave the office at four o'clock, on the plea of ill-health (or, worse still, because not fully competent), while they themselves were compelled to remain night after night until ten or eleven o'clock, and not only until their own shares, but those of the absentees also, were finished. There are one or two thoroughly competent and valuable clerks now in the Savings Bank branch, who are physically unable to undertake their shares of the annual balancing, their health being unequal to long hours and close application in hot, gas-lighted rooms in the month of July. To exempt these clerks from extra attendance and to compel their fellow-clerks to prolong their attendance on that account, would but invite pleas of ill-health and place a premium upon inefficiency, and the consequences would eventually be disaster to the work of the Savings Bank at a most critical time.

It cannot be held to be just that the clerks in the Savings Bank branch should be required to give what is equivalent to 13 months' work against 12 months' service of other civil servants, the additional month being one of very great strain on their powers. I am aware that to different Departments may attach, within general limits,

different conditions as to hours at certain seasons of pressure. Apart from the labour of balancing the ledgers in July of each year, sufficient exceptional conditions *already* attach to employment in the Post Office Savings Bank, whose staff, of the 14 statutory holidays observed by other Departments, enjoy but four (being those which are closely held both in Ontario and Quebec). For instance, to-day is a civic holiday in this city, and the Savings Bank, so far as I can see, is the only branch in the Service whose entire staff is in attendance, as on other days, being so for two reasons: 1st. The mere fact of its being a civic holiday in Ottawa does not justify the withholding from depositors all over Ontario and Quebec, of money applied for; and 2nd. Two days work could not be compressed into one, to-morrow. Further, at certain seasons the current work is very heavy, and necessitates long hours of attendance—notably, for instance, in the month of August last, when, as explained in my answer to the last question, the work doubled in volume. Yet the staff regard these latter drawbacks—the loss of holidays, and prolonged hours when the work is heavy, as unavoidable incidents of employment in the Savings Bank, and seek no compensation therefor.

While the Civil Service Act of 1868 forbids additional payment being made to any clerk, for extra work done in his own Department, it may be stated that this Act was framed *before* the Post Office Savings Banks were organized, and it was only some time after the passing of the Act that it was found that its provisions would operate against the performance of the annual balancing on the same principle as that followed in the English Post Office Savings Bank, adopted as the model of that in Canada, and where the annual balancing is performed by the regular staff, during extra hours, and paid for by the piece, as described in the following extracts from reports on the subject by the English Post Office Authorities.

Extract from a Report by Messrs. Scudamore and Chetwynd, dated 31st October, 1862, pages 147-8.

"As this work will be very large in amount, and must always be completed in a limited time, say within the month of January, it is obvious that, in fixing the ordinary force of the Department, no provision can be made for it, and that it must be performed by a special force employed for the occasion, or by a part of the ordinary force during extra hours and for extra pay. It would be easy, of course, to obtain extra force for such a purpose, but the cost of such a force would exceed the cost of employing the ordinary force during extra hours. It would always be easy to find in the ordinary force a sufficient number of men who had had experience of similar duties and who would be fully trained for the work from the moment of commencement; but the members of any special force which might be obtained would require some instructions before they could commence, and as it would be almost impossible to obtain the same men specially in each succeeding year, a part of every month of January would be lost, and additional cost would be incurred in training inexperienced and therefore inefficient members. The objection, perhaps the chief objection, to the employment of ordinary force on extra work, rests on the fact that it is usually very difficult to supervise the work, and to preserve the proper distinction between that which should be done in the ordinary hours and that which should be done in the extra hours. But this objection would not apply in the case now under consideration. The work of computing annually the interest due to each depositor, and of balancing his account, might be paid for by the piece, under which mode of payment there would be no room for evasion."

Extract from a Report by Lord Stanley of Alderley, the Postmaster-General, to the Lords Commissioners of Her Majesty's Treasury, dated 15th December, 1862:—

"Connected with the subject of providing for the work of the Savings Bank Department, a question is raised by Messrs. Scudamore and Chetwynd as to the means by which that portion of the duty relating to the computation of interest due to depositors should be performed. They propose to provide for this duty by employing officers on the establishment at extra work, in preference to making provision for it by an addition to the regular force. Although objection has been held, and, I think, rightly so on principle, to the system generally of extra work, especi-

ally when performed by officers of the office to which the work appertains, I think that, under the peculiar circumstances represented in the report, the present is one of those special cases to which such an objection cannot properly apply, and in which an exception to what is now the general rule may be safely and advantageously made. The work is of a nature that must necessarily be performed after the usual official hours; it will also have to be performed at one period only of the year, and within a limited time. It cannot, therefore, well be provided for by any permanent addition to the regular force, and, as it is quite distinct from the ordinary current business of the Savings Bank Department, there is not that objection which might otherwise exist to the work being provided for as recommended. I propose, therefore, to adopt the proposition, and to pay the officers the same rate of remuneration as that to be paid in the case of temporary clerks, and on the same principle."

Extract from an "Epitome of Changes of System introduced subsequently to 1862," by A. C. Thomson, Controller of Post Office Savings Banks, dated 31st December, 1870:—

"In the report of 1862, the month of January was mentioned as the period within which this work would probably be done by a special force employed for the occasion, in addition to the ordinary force, during extra hours. But since the year 1864, the work has never occupied more than twenty days; and on two occasions it was done still more rapidly, viz., by the 21st January, 1868, and the 18th January, 1869. To the latter date the practice of obtaining the assistance of officers in other branches of the General Post Office was continued; but in January, 1870, when for the first time the work was entirely entrusted to the ordinary force of the Department, it was finished by the 26th of that month."

For four years—from 1869 to 1872—the Department endeavoured not to conflict with the provisions of the Civil Service Act, and employed extra assistance, and clerks from other Departments, but it was found to be impracticable to continue the system, the character of the work done was untrustworthy, and the access to books of a confidential character by irresponsible persons, was found to be objectionable. Nevertheless the throwing on the unassisted staff of the branch, of the entire labor, was felt to be a severe exaction, and, unless accompanied by compensation, an unjust one. In 1873 the principle was adopted, and has since been followed, of employing the Savings Bank Staff alone, and (up to 1878 inclusive) of paying for the work at a scale of "so much" per account balanced, the superintending officer not sharing in the payment, and the scheme being such as to exclude the possibility of impropriety in any shape.

For the last two years no payment has been made to the Savings Bank staff, the Government considering such payment to be contrary to law. I suggested an amendment to the Civil Service Act last session, but my suggestion was not favorably entertained, and no provision was made for the annual balancing of 1880. The Civil Service Act would have allowed the employment of clerks from other Departments, but the experience of 1869, 1870, 1871 and 1872, was fatal to that plan. I had no recourse, therefore, but to subdivide the many thousand accounts requiring treatment, among the regular staff, and—no pay being allowed—I was unable to excuse any from his full share, on any plea whatever. More than one was unable to work after six o'clock; one absolutely broke down, and his medical attendant forbade his working extra hours; another was absent, ill, for a fortnight; others (recent appointments), without the incentive which a payment in proportion to the number of accounts balanced would create, failed to qualify themselves to take up the work intelligently and promptly. All these circumstances caused delay, and the work which, in other years has been finished, and the printed results of the year's business published, on the 14th July, is still (23rd August) unfinished, and what is more unsatisfactory, the period during which error arising from overpayment was possible has been prolonged in a critical degree.

I believe I am not wrong in saying that the "extra work" devolving on the staff of the Savings Bank branch in connection with the annual balancing of the

ledgers, differs from any so-called "extra work" which the staff of other Departments are ever called upon to perform.

The ledgers in the Government Savings Bank in the Finance Department are entirely different, not being original books at all, but copies, simply for purposes of audit, of the original ledgers in the hands of the local agents.

In view, therefore, of the fact, that the extra work involved in balancing depositors' ledgers on the 30th June annually, is a labor which cannot, from its nature, be begun before the 30th June, and must then be undertaken and pressed forward with all possible despatch, as it is impossible that it can be done during regular office hours, as it has no connection whatever with the regular office work, which fully occupies the entire time of the staff daily,—as the staff of the branch could be readily relieved of the labor by the employment, sanctioned by law, of clerks from other Departments, and yet dare not be relieved on account of the confusion and blunders resulting from the employment of outside assistance,—I regard it as a hardship that the Savings Bank staff should be required to do this extra work without additional remuneration, allotted *pro-rata* among the clerks who do the work.

APPENDIX B.

Circular letters having been sent to the Managers of the Bank of Montreal, Bank of British North America, and the Canadian Bank of Commerce, enclosing a form of questions as below, the following replies were duly received:—

BANK OF MONTREAL.

Questions for Bank Managers.

1. What number of clerks have you?—253, including messengers and porters.
2. At what age do they enter your service?—At about the age of 18 years.
3. At what pay do they enter?—At the rate of \$200 per annum.
4. Does their pay increase, or are they promoted by routine, seniority or selection?—If the record is of fair average, the increase is at the rate of \$50 per annum each half year, in May and in November, until they reach \$500 to \$600 per annum. After that it depends upon the ability and zeal developed and exhibited. Promotion goes by merit.
5. What is the extreme limit to which they rise?—The entire range of salaries from highest to lowest is from \$200 up to \$20,000.
6. What are the hours of attendance?—The official hours are from 9 a.m. till 4 p.m., or longer if their duties require it.
7. Are they paid for overtime?—No.
8. What are their holidays?—A fortnight in each year, and after a service of ten years an extended leave is sometimes granted when applied for.

BANK OF BRITISH NORTH AMERICA.

Questions for Banks.

1. What number of clerks have you?—One hundred and four.
2. At what age do they enter your service?—(1.) Clerks entering in Canada, not under 15. (2.) Clerks entering sent from Great Britain (who must have served a full apprenticeship in England, Ireland or Scotland) are, as a rule, under 24.
3. At what pay do they enter?—(1.) Boys entering in Canada, \$240. (2.) Clerks sent from Great Britain, \$700.

4. Does their pay increase, or are they promoted by routine, seniority or selection?—(1.) Junior clerks entering in Canada, \$60 the first year, and \$100 every year afterwards, until \$700 is reached; after that, as in the following paragraph:—(2.) Clerks who are diligent and efficient, generally have their salaries increased \$100 every year. If a clerk is advanced in position, the increase to his salary may be more frequent, and larger in amount than \$100. Promotion to the higher offices is by selection, according to fitness.

5. What is the extreme limit to which they rise in your establishment?—No limit. Clerks are eligible for the highest appointments in the Bank.

6. What are the hours of attendance at the Bank?—Clerks must be at the Bank at 9, and stay until the work is finished. It is considered that 9 to 5 are proper banking hours. If the work cannot be done within those hours, the staff has to be increased.

7. Are your clerks paid for over-time?—No.

8. What are their holidays?—A fortnight each year. Furlough of four months (sometimes extended to six months) with full pay, once in ten years. If lengthened furlough is given under ten years, special allowances are made, varying according to length of service and the circumstances.

THE CANADIAN BANK OF COMMERCE,
TORONTO, 13th August, 1880.

Memorandum.

Answer to Question 1.—There are at present 206 men in the service of this Bank, not including the messengers and porters.

Answer to Question 2.—Young men without any previous business training usually enter the Service at \$250 per annum.

Answer to Question 3.—Usually at 17, 18 and 19.

Answer to Question 4.—In promoting officers, the consideration to which we attach the great importance is, efficiency and general fitness for the particular duties devolving upon them. The second consideration is length of service; we seek to regulate their salaries according to these considerations.

Answer to Question 5.—They may rise to the highest position in the Service.

Answer to Question 6.—Each officer is expected to be at his post at 9 a.m., and not to leave it until the work of the day shall have been completed, which is usually accomplished by five or half-past five o'clock in the afternoon. Every officer, however, must return to the Bank in the evening whenever called upon to do so.

Answer to Question 7.—They are not paid for over-time.

Answer to Question 8.—Usually a fortnight.

APPENDIX C.

CLASSIFICATION OF CUSTOMS OUTSIDE SERVICE.

Letter from Mr. John Lewis, Surveyor.

(See Question 2415.)

CUSTOMS HOUSE,
MONTREAL, 3rd December, 1880.

D. McINNES, Esq.,
Chairman of Civil Service Commission, Ottawa.

DEAR SIR,—As I may not have made myself clearly understood in a recent short conversation with you on the classification of officers in the Customs Service, may I be permitted to submit the following opinion on this much-discussed question.

The classification of officers would have the effect of increasing the general efficiency of the Service, and of improving the position of officers, and that without incurring much, if any, additional expense.

The classification would necessarily comprise two, and in some cases three, classes; in each of which would be established a minimum and a maximum salary; and an advance made from the lower to the higher salary in each class, by an annual specific sum; and promotion from class to class, as vacancies occur.

Each nominee to enter the lower or lowest class—if there be more than two—at the minimum salary in the class.

Also, a minimum and maximum salary should be attached to each separate and distinct officer in large ports, and in small ports, where the number of officers will not admit of classification; and that upon the appointment or promotion of any person or officer to such an office or position, he be paid the minimum salary attached thereto—provided it be not less than such officer had been previously in receipt of—and be advanced by a specific annual sum until he shall have attained to the maximum salary, as in cases of classed officers.

You very correctly remarked that, were such a rule of advancement *absolute* in all cases, the *drones* and the industrious and efficient would be on an equal footing; and that if there was no incentive to industry and good conduct, it could not result otherwise than detrimental to the public interest and efficiency of the Service.

To guard against such inevitable results, that would follow an indiscriminate advancement of officers, the advancement or promotion should be conditional, and subject to the action of Civil Service Commissioners, who would be governed by the character and assiduity of officers, and not by the caprice or personal interest of their superiors, regardless of acquired rights and justice. Such a system would ensure to the competent and meritorious advancement as a matter of recognized right, as well as reward for diligent performance of duty; whereas the indolent and careless would not be advanced, but might be reduced in his class, or removed into a lower class.

True, the carrying into effect of such a system would necessitate the appointment of, at least, three Commissioners for this Service. But such Commissioners would relieve the Government and the several Departments of much trouble, and no doubt of much expense.

Government patronage would also be more equitably distributed; vacancies being reported by the Commissioners direct to the Council, accompanied by their recommendation of officers entitled to promotion.

The foregoing implies the investing the Commissioners with the power to make legitimate advancements in classes, and from class to class, as well as the withholding, for good reason, such advancements. Also, of promoting officers from one position to another, subject, in such a case, to the ratification of the Council.

Yours very respectfully,

JNO. LEWIS,
Surveyor.

APPENDIX D.

UNITED STATES CIVIL SERVICE REGULATIONS.

The following extracts from Acts of Congress of the United States show the present classification and salaries of the employes in the principal Departments at Washington.

An Act making appropriations for the Civil and Diplomatic expenses of the Government, &c.

* * * * *

Sec. 3. And be it further enacted, That from and after the 30th June, 1853, the clerks in the Departments of the Treasury, War, Navy, the Interior and the Post

Office, shall be arranged into four classes, of which, class No. 1 shall receive an annual salary of \$900 each; class No. 2, an annual salary of \$1,200 each; class No. 3, an annual salary of \$1,500 each; and class No. 4, an annual salary of \$1,800 each.

* * * * *

"No clerk shall be appointed in either of the four classes until after he has been examined and found qualified by a Board, to consist of three examiners, one of them to be Chief of the Bureau or office into which he is to be appointed, and the two others to be selected by the Head of the Department to which the said clerk will be assigned."

(Approved March 3rd, 1853, Vol. 10, p. 211, Statutes at Large.)

An Act to amend the third Section of the "Act making appropriation for the Civil and Diplomatic expenses of the Government for the year ending June 30th, 1854," and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That of the clerks authorized by the third Section of the Act approved March 3rd, 1853, entitled "An Act making appropriations for the Civil and Diplomatic expenses of Government for the year ending the 30th of June, 1854,"—those of the first class shall receive a salary of \$1,200 per annum; those of the second class, a salary of \$1,400 per annum; those of the third class, a salary of \$1,600 per annum.

* * * * *

(Approved April 22nd, 1854, Vol. 10, p. 276, Statutes at Large.)

"Secs. 166 to 169 of the Revised Statutes of the United States, p. 27, 2nd edition."
 Sec. 166. Each Head of a Department may from time to time alter the distribution among the various bureaus and offices of his Department, of the clerks allowed by law, as he may find it necessary and proper to do.

Sec. 167. The annual salaries of clerks and employes in the Department, whose compensation is not otherwise prescribed, shall be as follows:

- 1st. To clerks of the fourth class, eighteen hundred dollars.
- 2nd. To clerks of the third class, sixteen hundred dollars.
- 3rd. To clerks of the second class, fourteen hundred dollars.
- 4th. To clerks of the first class, twelve hundred dollars.
- 5th. To the women employed in duties of a clerical character, subordinate to those assigned to clerks of the first class, including copyists and counters, or temporarily employed to perform the duties of a clerk, nine hundred dollars.
- 6th. To messengers, eight hundred and forty dollars.
- 7th. To assistant messengers, seven hundred and twenty dollars.
- 8th. To laborers, seven hundred and twenty dollars.
- 9th. To watchmen, seven hundred and twenty dollars.

Sec. 168. Except when a different compensation is expressly prescribed by law, any clerk temporarily employed to perform the same or similar duties with those belonging to clerks of either class, is entitled to the same salary as is allowed to clerks of that class. (See § 242.)

Sec. 169. Each Head of a Department is authorized to employ in his Department such number of clerks of the several classes recognized by law, and such messengers, assistant messengers, copyists, watchmen, laborers and other employes, and at such rates of compensation, respectively, as may be appropriated for by Congress from year to year.

APPENDIX E.

COST OF COLLECTING INLAND REVENUE.

The expenditure for Inside Service has been apportioned thus:—

Commissioner's salary, \$4,000, apportioned thus—

Weights and Measures.....	\$ 800 00
Excise $\frac{1}{4}$ of remainder.....	1,920 00
Canals, &c., $\frac{1}{8}$ of remainder.....	365 70
Slides and Booms, $\frac{1}{8}$ of remainder.....	256 00
Cullers, $\frac{1}{8}$ of remainder.....	256 00
Bill Stamps, $\frac{1}{8}$ of remainder.....	73 14
Adulteration of Food, $\frac{1}{8}$ of remainder.....	109 72
Inspection of Staples, $\frac{1}{8}$ of remainder.....	109 72
“ Gas, $\frac{1}{8}$ of remainder.....	109 72

The salaries of Clerks whose work refers to one service only, have been charged to that service.

The balance has been divided in the following way:—

Excise.....	115
Canals, &c.....	115
Slides and Booms.....	115
Cullers.....	115
Bill Stamps.....	115
Adulteration of Food.....	115
Inspection of Staples.....	115
Weights and Measures.....	115
Gas.....	115

7th October, 1880.

STATEMENT of the Revenues (and cost of collecting the same) of the Department of Inland Revenue, for the four years ended 30th June, 1880.

Service.	1876-77.			1877-78.			1878-79.			1879-80.			Average of four years.	P. C.
	Revenue.	Expenditure.	Percentage.	Revenue.	Expenditure.	Percentage.	Revenue.	Expenditure.	Percentage.	Revenue.	Expenditure.	Percentage.		
Excise.....	\$ 4,949,027	223,044	4 1/2	4,884,136	226,753	4 1/2	6,403,832	223,212	4 1/2	4,298,245	230,384	5 1/2	4,388	4 1/2
Canals, &c.....	431,515	35,329	8 1/2	423,840	38,810	9 1/2	381,483	38,858	10 1/2	384,463	40,481	10 1/2	388	9 1/2
Slides and Booms.....	115,862	8,374	7 1/2	83,291	8,407	10 1/2	69,372	8,759	12 1/2	56,361	8,824	15 1/2	68	10 1/2
Calling Timber.....	67,128	70,769	105 1/2	56,469	52,530	93 1/2	26,858	47,587	177 1/2	23,014	47,756	207 1/2	23	126 1/2
Bill Stamps.....	208,968	2,213	1 1/2	200,614	2,329	1 1/2	185,332	1,738	0 1/2	178,116	2,152	1 1/2	185	1 1/2
Weights & Measures	51,658	103,680	202	29,684	85,384	287 1/2	13,223	75,610	571 1/2	17,080	51,222	300	17	282 1/2
Gas Inspection.....	2,891	11,176	385	2,788	15,007	530 1/2	2,348	12,504	532 1/2	2,461	13,603	552 1/2	2	498 1/2

INLAND REVENUE DEPARTMENT,
OTTAWA, 6th October, 1880.

APPENDIX F.

REPORT OF SIR STAFFORD NORTHCOTE AND SIR C. E. TREVELYAN
ON THE ORGANIZATION OF THE PERMANENT CIVIL SERVICE OF
THE UNITED KINGDOM, 1853, TOGETHER WITH A LETTER FROM
THE REV. B. JOWETT.

We now proceed to comply with that part of our instructions which states that, in connection with the inquiries which we were directed to make into each particular office, it is highly necessary that the conditions which are common to all the public establishments, such as the preliminary testimonials of character and bodily health to be required from candidates for public employment, the examination into their intellectual attainments, and the regulation of the promotions, should be carefully considered, so as to obtain full security for the public that none but qualified persons will be appointed, and that they will afterwards have every practicable inducement to the active discharge of their duties.

It cannot be necessary to enter into any lengthened argument for the purpose of showing the high importance of the Permanent Civil Service of the country in the present day. The great and increasing accumulation of public business, and the consequent pressure upon the Government, need only to be alluded to; and the inconvenience, which are inseparable from the frequent changes which take place in the responsible administration are matter of sufficient notoriety. It may safely be asserted that, as matters now stand, the Government of the country could not be carried on without the aid of an efficient body of permanent officers, occupying a position duly subordinate to that of the Ministers who are directly responsible to the Crown and to Parliament, yet possessing sufficient independence, character, ability, and experience to be able to advise, assist, and, to some extent, influence those who are from time to time set over them.

That the Permanent Civil Service, with all its defects, essentially contributes to the proper discharge of the functions of Government, has been repeatedly admitted by those who have successively been responsible for the conduct of our affairs. All, however, who have had occasion to examine its constitution with care, have felt that its organization is far from perfect, and that its amendment is deserving of the most careful attention.

It would be natural to expect that so important a profession would attract into its ranks the ablest and the most ambitious of the youth of the country; that the keenest emulation would prevail among those who had entered it; and that such as were endowed with superior qualifications would rapidly rise to distinction and public eminence. Such, however, is by no means the case. Admission into the Civil Service is, indeed, eagerly sought after, but it is for the unambitious, and the indolent or incapable, that it is chiefly desired. Those whose abilities do not warrant an expectation that they will succeed in the open professions, where they must encounter the competition of their contemporaries, and those whom indolence of temperament or physical infirmities unfit for active exertions, are placed in the Civil Service, where they may obtain an honorable livelihood with little labour, and with no risk; where their success depends upon their simply avoiding any flagrant misconduct, and attending with moderate regularity to routine duties; and in which they are secured against the ordinary consequences of old age, or failing health, by an arrangement which provides them with the means of supporting themselves after they have become incapacitated.

It may be noticed in particular that the comparative lightness of the work, and the certainty of provision in case of retirement owing to bodily incapacity, furnish strong inducements to the parents and friends of sickly youths to endeavor to obtain for them employment in the service of the Government; and the extent to which the public are consequently burdened, first with the salaries of officers who are obliged to absent themselves from their duties on account of ill-health, and afterwards with

their pensions when they retire on the same plea, would hardly be credited by those who have not had opportunities of observing the operation of the system.

It is not our intention to suggest that all public servants entered the employment of the Government with such views as these; but we apprehend that as regards a large proportion of them, these motives more or less influenced those who acted for them in the choice of a profession; while, on the other hand, there are probably very few who have chosen this line of life with a view to raising themselves to public eminence.

The result naturally is, that the Public Service suffers both in internal efficiency and in public estimation. The character of the individuals influences the mass, and it is thus that we often hear complaints of official delays, official evasions of difficulty, and official indisposition to improvement.

There are, however, numerous honorable exceptions to these observations, and the trustworthiness of the entire body is unimpeached. They are much better than we have any right to expect from the system under which they are appointed and promoted.

The peculiar difficulties under which the Permanent Civil Service labors, in obtaining a good supply of men, as compared with other professions, are partly natural and partly artificial.

Its natural difficulties are such as these:

Those who enter it generally do so at an early age, when there has been no opportunity of trying their fitness for business, or forming a trustworthy estimate of their characters and abilities. This to a great extent is the case in other professions also, but those professions supply a corrective which is wanting in the Civil Service, for as a man's success in them depends upon his obtaining and retaining the confidence of the public, and as he is exposed to a sharp competition on the part of his contemporaries, those only can maintain a fair position who possess the requisite amount of ability and industry for the proper discharge of their duties. The able and energetic rise to the top; the dull and inefficient remain at the bottom. In the public establishments on the contrary, the general rule is that all rise together. After a young man has been once appointed, the public have him for life; and if he is idle or inefficient, provided he does not grossly misconduct himself, we must either submit to have a portion of the public business inefficiently and discreditably performed, or must place the incompetent person on the retired list, with a pension for the rest of his life. The feeling of security with which this state of things necessarily engenders tends to encourage indolence, and thereby to depress the character of the Service. Again, those who are admitted into it at an early age are thereby relieved from the necessity of those struggles which for the most part fall to the lot of such as enter upon the open professions; their course is one of quiet, and generally of secluded performance of routine duties, and they consequently have but limited opportunities of acquiring that varied experience of life which is so important to the development of character.

To these natural difficulties may be added others arising from what may be called artificial causes.

The character of the young men admitted to the Public Service depends chiefly upon the discretion with which the Heads of Departments, and others who are entrusted with the distribution of patronage, exercise that privilege. In those cases which the patronage of Departments belongs to their chief for the time being, the appointments which it commonly falls to his lot to make are either those of junior clerks, to whom no very important duties are in the first instance to be assigned, or of persons who are to fill responsible and highly-paid situations above the rank of the ordinary clerkships. In the first case, as the character and abilities of the new junior clerk will produce but little immediate effect upon the office, the chief of the Department is naturally led to regard the selection as a matter of small moment, and will probably bestow the office upon the son or dependant of some one having personal or political claims upon him, or perhaps upon the son of some meritorious public servant, without instituting any

very minute inquiry into the merits of the young man himself. It is true that in many offices some kind of examination is prescribed, and that in almost all, the person appointed is in the first instance nominated on probation; but, as will presently be pointed out, neither of these tests are at present very efficacious. The young man thus admitted is commonly employed upon duties of the merest routine. Many of the first years of his service are spent in copying papers, and other work of an almost mechanical character. In two or three years he is as good as he can be at such an employment. The remainder of his official life can only exercise a depressing influence on him, and renders the work of the office distasteful to him. Unlike the pupil in a conveyancer's or special pleader's office, he not only begins with mechanical labour as an introduction to labour of a higher kind, but often also ends with it. In the meantime his salary is gradually advancing till he reaches, by seniority, the top of his class, and on the occurrence of a vacancy in the class above him he is promoted to fill it, as a matter of course, and without any regard to his previous services or his qualifications. Thus, while no pains have been taken in the first instance to secure a good man for the office, nothing has been done after the clerk's appointment to turn his abilities, whatever they may be, to the best account. The result naturally is, that when the chief of the office has to make an appointment of visible and immediate importance to the efficiency of his Department, he sometimes has difficulty in finding a clerk capable of filling it, and he is not unfrequently obliged to go out of the office, and to appoint some one of high standing in an open profession, or some one distinguished in either walks of life, over the heads of men who have been for many years in the Public Service. This is necessarily discouraging to the civil servants, and tends to strengthen in them the injurious conviction, that their success does not depend upon their own exertions, and that if they work hard, it will not advance them, if they waste their time in idleness, it will not keep them back.

It is, of course, essential to the Public Service that men of the highest abilities should be selected for the highest posts; and it cannot be denied that there are a few situations in which such varied talent and such an amount of experience are required, that it is probable that under any circumstances it will occasionally be found necessary to fill them with persons who have distinguished themselves elsewhere than in the Civil Service. But the system of appointing strangers to the higher offices has been carried far beyond this. In several Departments the clerks are regarded as having no claim whatever to what are called the staff appointments; and numerous instances might be given in which personal or political considerations have led to the appointment of men of very slender ability, and perhaps of questionable character, to situations of considerable emolument, over the heads of public servants of long standing and undoubted merit. Few public servants would feel the appointment of a barrister of known eminence and ability to some important position, like that of Under-Secretary of State, as a slight, or a discouragement to themselves; but the case is otherwise when some one who has failed in other professions, and who has no recommendation but that of family or political interest, is appointed to a librarianship, or some other such office, the duties of which would have been far better discharged by one who had been long in the Department, and to whom the increased salary attached to the appointment would have been a fair reward for years of faithful service.

One more peculiarity in the Civil Service remains to be noticed. It is what may be called its fragmentary character.

Unlike the Military and Naval, the Medical and the Commissariat Services, and unlike even the Indian Civil Service, the public establishments of this country, though comprising a body of not less than 16,000 persons, are regulated upon the principle of merely departmental promotion. Each man's experience, interests, hopes and fears are limited to the special branch of service in which he is himself engaged. The effect naturally is, to cramp the energies of the whole body, to encourage the growth of narrow views and departmental prejudices, to limit the acquisition of experience, and to repress and almost extinguish the spirit of emulation

and competition; besides which considerable inconvenience results from the want of facilities for transferring strength from an office where the work is becoming slack to one in which it is increasing, and from the consequent necessity of sometimes keeping up particular departments on a scale beyond their actual requirements.

Having thus touched upon some of the difficulties with which the Public Service is beset, we come to the consideration of the problem, what is the best method of providing it with a supply of good men, and of making the most of them after they have been admitted?

The first question which here presents itself is, whether it is better to train young men for the discharge of the duties which they will afterwards have to perform, or to take men of mature age who have already acquired experience in other walks of life?

Our opinion is, that, as a general rule, it is decidedly best to train young men. Without laying too much stress on the experience which a long official life necessarily brings with it, we cannot but regard it as an advantage of some importance. In many offices, moreover, it is found that the superior docility of young men renders it much easier to make valuable public servants of them than of those more advanced in life. This may not be the case in the higher class of offices, but is unquestionably so in those where the work consists chiefly of account business. The maintenance of discipline is also easier under such circumstances, and regular habits may be enforced which it would be difficult to impose for the first time upon old men. To these advantages must be added the important one of being able, by proper regulations, to secure the services of fit persons on much more economical terms. A young man who has not made trial of any other profession will be induced to enter that of the Civil Service by a much more moderate remuneration than would suffice to attract him a few years later from the pursuit of one in which he had overcome the first difficulties and begun to achieve success; while to attempt to fill the ranks of the Civil Service with those who had failed elsewhere, and were on that account willing to accept a moderate salary, would be simply to bring it into discredit. It cannot be doubted that, even in the absence of proper precautions for securing proper appointments, it is more probable that a fair proportion of eligible men will be found among a number taken at their entrance into life, particularly if pains be bestowed upon them after their appointment, than among an equal number taken after some years of unsuccessful efforts to open another line for themselves. The temptation to jobbing, and the danger of decidedly improper appointments being made, is also considerably less in the case of the selection of young men than in that of persons more advanced in life.

The general principle then, which we advocate is, that the Public Service should be carried on by the admission into its lower ranks of a carefully selected body of young men, who should be employed from the first upon work suited to their capacities and their education, and should be made constantly to feel that their promotion and future prospects depend entirely on the industry and ability with which they discharge their duties, that with average abilities and reasonable application they may look forward confidently to a certain provision for their lives, that with superior powers they may rationally hope to attain to the highest prizes in the Service, while if they prove decidedly incompetent or incurably indolent, they must expect to be removed from it.

The first step towards carrying this principle into effect should be the establishment of a proper system of examination before appointment, which should be followed, as at present, by a short period of probation. The necessity of this has been long so far admitted that some kind of examination does now take place before clerks are admitted into any of the following offices: The Treasury, the Colonial Office, the Board of Trade, the Privy Council Office, the Poor Law Board, the War Office, the Ordnance Office, the Audit Office, the Paymaster-General's Office, the Inland Revenue Office, the Emigration Office and some others. These examinations vary in their character; in some offices more is required than in others, and in some cases what is required will be more rigidly enforced by one set of examiners than by another.

The preliminary examination of candidates for civil employment, however, cannot be conducted in an effective and consistent manner throughout the Service while it is left to each Department to determine the nature of the examination, and to examine the candidates. Some on whom the duty of examining devolves feel no interest in the subject; others, although disposed to do their best, are likely to entertain erroneous or imperfect conceptions of the standard of examination which ought to be fixed, and to be unable to apply it properly after it has been settled. The time and attention of the superior officers are fully occupied in disposing of the current business of their respective Departments. To do this in a creditable manner will always be their primary object; and as the bearing of the subject under consideration upon the efficiency of their Departments, although very important, is not of a direct or immediate kind, and is not likely to have much effect during their own tenure of office, what has to be done in reference to it will either be done in a hurried and imperfect manner, or will be left by them to their subordinate officers to be dealt with at their discretion. In a large Department, in which numerous candidates have to be examined, want of time will prevent the superior officers from giving the subject the attention it deserves; and other matters, although of infinitely less real consequence, will have the precedence, because they press, and must be disposed of at the moment. Moreover, a large proportion of the persons appointed to a public Department usually consists of young men in whose success the heads of the office or the principal clerks take a lively personal interest, owing to relationship or some other motive connected with their public or private position; and an independent opinion is hardly to be expected from an examiner who is acting under the orders of the one, and is in habits of daily intercourse with the other. A public officer ought not to be placed in a situation in which duty might require him to make an unfavorable report under such circumstances. Lastly, even supposing every other circumstance to be favorable, it is impossible that each Department, acting for itself, can come to such just conclusions in regard to the nature of the preliminary examination, or can conduct it in such a fair, and effective, and consistent manner, as would persons having the advantage of a general view of the subject as it affects every public Department, and who should have been selected for the duty on account of their experience in matters of this description.

We accordingly recommend that a Central Board should be constituted for conducting the examination of all candidates for the Public Service, whom it may be thought right to subject to such a test. Such Board should be composed of men holding an independent position, and capable of commanding general confidence; it should have at its head an officer of the rank of Privy Councillor, and should either include or have the means of obtaining the assistance of persons experienced in the education of the youth of the upper and middle classes, and persons who are familiar with the conduct of official business. It should be made imperative upon candidates for admission to any appointment (except in certain special cases which will presently be noticed) to pass a proper examination before this Board, and obtain from them a certificate of having done so.

We are of opinion that the examination should be in all cases a competing literary examination. This ought not to exclude careful previous inquiry into the age, health and moral fitness of the candidates. Where character and bodily activity are chiefly required, more, comparatively, will depend upon the testimony of those to whom the candidate is well known, but the selection from among the candidates who have satisfied these preliminary inquiries should still be made by a competing examination. This may be so conducted as to test the intelligence as well as the mere attainments of the candidates. We see no other mode by which (in the case of inferior no less than superior officers) the double object can be attained of selecting the fittest person and of avoiding the evils of patronage.

For the superior situations endeavors should be made to secure the services of the most promising young men of the day by a competing examination on a level with the highest description of education in this country. In this class of situations there is no limit to the demands which may ultimately be made upon the abilities of

those who, entering them simply as junior clerks, gradually rise to the highest posts in them. To obtain first rate men it is obvious that recourse should be had to competition. It would be impossible to impose upon each candidate for a clerkship, as a positive test of his fitness for the appointment, the necessity of passing an examination equal to that of first class men at the universities; but if, on the occurrence of a vacancy, it is found that a number of candidates present themselves, of whom some are capable of passing such an examination, there can be no reason why the public should not have the benefit of such men's services, in preference to those of persons of inferior merit. It may be repeated that no other means can be devised of avoiding the evils of patronage which if in this case less objectionable, because of the comparatively small number of superior appointments, is much more objectionable in its effects on the public business of the country.

Our proposal is not inconsistent with the appropriation of special talents or attainments to special Departments of the Public Service. In the case, for example, of the subordinate grades from which collectors, surveyors, secretaries, junior commissioners, and other superior officers of the Revenue Departments are usually selected, the nature of the examination should be adapted to the object of securing the scientific and other attainments which are so important to the efficiency of these great national establishments. In the same way provision might be made for securing the peculiar attainments to be required of persons to be employed in the Foreign Office, and in the diplomatic and consular services, and in respect to offices of account, arithmetic and book-keeping will be principally insisted on.

It next becomes a question, whether the competition we have proposed should take place on the occasion of each vacancy, or whether there should be periodical examinations. We are of opinion that it would be desirable to adopt the latter alternative. There are peculiar advantages in a system of periodical examinations. It economizes the number, and also the time of the examiners, who, instead of being overworked half the year, have their employment regularly distributed. It is also more convenient to the candidates themselves.

We propose, therefore, that examinations should be held at stated times; that an average having been taken of the number of situations of the class contended for, which periodically fall vacant, it should be announced, before the commencement of each trial, how many gentlemen were to be elected for admission into the Public Service on that occasion. The election having taken place, those who have succeeded should be distributed among the offices to which appointments are to be made, on the footing of probationers. The precise mode in which the successful candidates should be allotted to the several Departments will require some consideration; but there will be no difficulty in it which may not easily be overcome. One obvious course of proceeding would be to send to each Department a list of those who are selected for appointments, leaving to the head of each office to choose from among them as vacancies occur. Or it might be thought desirable that the Board of Examiners should recommend particular men to particular Departments, according to their capacities, the Head of the Department in each case exercising his discretion in accepting them or not; or the choice might be given to the candidates themselves, some restriction being imposed to prevent any from choosing offices for which their peculiar education had not fitted them. If more have been elected (in order to maintain the average) than there is immediate demand for, they should be sent as supernumerary clerks to the offices in which the work happens to be the heaviest, unless there is any special service upon which they can with advantage be temporarily employed, or they might wait to take their turn. As vacancies occur from time to time before the next general examination, the supernumeraries should be appointed to them, and if the whole have not been placed before that time, it will only be necessary to make the next batch the smaller. It would be desirable to retain the probation as at present, rendering it more efficient by precise reports of the conduct of the probationers.

In the examination which we have recommended, we consider that the right of competing should be open to all persons of a given age, subject only, as before sug-

gested, to the necessity of their giving satisfactory references to persons able to speak to their moral conduct and character, and of producing medical certificates to the effect that they have no bodily infirmity likely to incapacitate them for the Public Service. It is only by throwing the examination entirely open that we can hope to attract the proper class of candidates.

The choice of the subjects to be comprehended in the examination, as well as the mode in which the examination should be conducted, so as to diminish the labor by eliminating such candidates as have obviously no chance of success, should, of course, be left to the Board of Examiners. We will, therefore, only indicate the advantage of making the subjects as numerous as may be found practicable, so as to secure the greatest and most varied amount of talent for the Public Service. Men whose services would be highly valuable to the country might easily be beaten by some who were their inferiors, if the examination were confined to a few subjects to which the latter had devoted their exclusive attention; but if an extensive range were given, the superiority of the best would become evident. Besides, an opportunity would be afforded for judging in what kind of situation each is likely to be most useful; and we need hardly allude to the important effect which would be produced upon the general education of the country, if proficiency in history, jurisprudence, political economy, modern languages, political and physical geography, and other matters, besides the staples of classics and mathematics, were made directly conducive to the success of young men desirous of entering into the Public Service. Such an inducement would probably do more to quicken the progress of our universities, for instance, than any legislative measures that could be adopted.

It would probably be right to include in the examination some exercises directly bearing upon official business; to require a precis to be made of a set of papers, or a letter to be written under given circumstances; but the great advantage to be expected from the examination would be, that they would elicit young men of general ability, which is a matter of more moment than their being possessed of any special acquirements. Men capable of distinguishing themselves in any of the subjects we have named, and thereby affording a proof that their education has not been lost upon them, would probably make themselves useful wherever they might be placed. We have before us the testimony of an eminent public officer, who was for many years connected with one of the chief departments of the State. He writes thus: "During my long acquaintance with the——office, I remember four, and only four, instances of young men being introduced to it on the ground of well-ascertained fitness. I do not venture to mention any names, but I confidently affirm that the superiority of those four gentlemen to all the rest was such as to extort the acknowledgement of it from their rivals, and to win the high applause of each successive Secretary of State."

We feel satisfied that by the measures which we have suggested for ascertaining the fitness of each person before the appointment, the most marked and important improvement may be introduced into the Public Service.

We must remark that there will be some cases in which examination will not be applicable. It would be absurd to impose this test upon persons selected to fill the appointments which have been previously spoken of under the name of staff appointments (see page), on account of their acknowledged eminence in one of the liberal professions, or in some other walk of life. We think, however, that the circumstances, under which any person is appointed to such an office, should always be placed on record by an official correspondence between the Department to which he is assigned and the Board of Examiners, and we would also suggest for consideration the expediency of making an annual return to Parliament of the names of persons who may be so appointed.

In dealing with the lower class of appointments, it will be necessary to make provision against the difficulty that, if the examinations were all held at one place, a large proportion of those who might reasonably become candidates would be deterred from presenting themselves by the expense of the journey. If the scheme of examinations were more favorable to one locality than another, there can be no doubt that it would soon be set aside as unjust. We propose, therefore, that an arrangement

should be made for holding examinations in various parts of the United Kingdom. A staff of assistant examiners might be formed, or the services of competent men might be engaged from time to time, or recourse might be had to the machinery of the Education Department of the Privy Council, for the purpose of holding district examinations at stated periods. Due notice should be given of the times and places at which such examinations are to be held, and all persons intending to compete should be required to send in their names by a certain day. The examinations should all take place on the same day—the examination papers being sent to each locality by the same post, as is done in the examinations conducted by the Education Department; and the papers, with the work of the candidate, being returned to the Central Board, which would cause them to be examined in the manner adopted at the Privy Council Office*. The required number should then be selected as probationers for the various appointments to be filled. The precise arrangements will, however, require much consideration, and we are of opinion that they cannot properly be determined otherwise than by experience, such as the proposed Board of Examiners, acting in concert with the several chiefs of the several Departments, would speedily acquire. We have satisfied ourselves, by communications with persons whose official position enables them to form sound opinions on the subject that there will be no formidable difficulty in making the necessary arrangements to meet the vast majority of cases. Mr. John Wood, the Chairman of the Board of Inland Revenue, has, as far as he was able, acted on these principles in the selection of excisemen; and the experiment has succeeded in a manner which is highly encouraging to further attempts in the same direction.

A suggestion to bestow a proportion of the inferior appointments in the Public Service upon the pupils in schools connected with the Privy Council was made by the Government of Lord John Russell in 1843, and a Minute was passed by the Education Committee upon the subject. No effect having been given to this Minute, it was repealed by the Education Committee under Lord Derby's Government, as being inoperative. It is obvious that no more Minute of a Committee of Privy Council could give effect to such a scheme, unless taken up as a part of the general policy of the Government.

With regard to the age of admission, we are of opinion, that in the case of candidates for superior situations, the limits should, as a rule, be nineteen and twenty-five; in the case of candidates for inferior offices, seventeen and twenty-one.

Having thus completed our suggestions as to the best mode of obtaining a proper supply of servants in the first instance, we have next to offer some remarks on what appears to us to be the best mode of regulating their employment and their promotion so as to maintain the efficiency of the office at the highest point.

As we have already spoken of the importance of establishing a proper distinction between intellectual and mechanical labor, we offer no further observations on this most vital point. The proper maintenance of such distinction depends more upon the discretion and management of the chiefs of offices and those immediately below them, than upon any general regulations that could be made by a central authority. We consider that a great step has been taken by the appointment, in several offices of a class of supplementary clerks, receiving uniform salaries in each department, and capable, therefore, of being transferred, without inconvenience, from one to another, according as the demand for their services may be greater or less at any particular time; and we expect that the moveable character of this class of officers, and the superior standard of examination which we have proposed for the higher class, will together have the effect of making the distinction between them in a proper manner.

*As the process adopted by the Education Department of the Privy Council may not be generally known it is well to state that the papers of the candidates in all parts of the country are sent to the Central Office, where they are sorted according to subjects, and sent to different Inspectors, *e. g.*, all the papers in Arithmetic to one, all in History to another, and so forth. Each Inspector assigns a number of marks to each paper, according to its merit. The papers are then returned; those of each candidate are put together again; the total number of marks which he has obtained is ascertained; and the candidates are finally arranged according to the result of the comparison.

We are aware that a measure has sometimes been recommended which, if adopted, would have the effect of establishing to a certain extent the separation which we have spoken of—we mean the creation of a general copying office, common to the whole or most of the Departments, in the neighborhood of Whitehall, at which all of them might get their copying work done at a certain rate of payment by the piece.

We are, however, not prepared to recommend the adoption of such a measure. Copying is not the only work of a mechanical, or nearly mechanical, character which is performed in the public offices. A great deal of work of various kinds, such as registering, posting accounts, keeping diaries, and so forth, may very well be done by supplementary clerks of an inferior class under the direction of a small number of superiors. Such work, however, could not be sent out of the office; and even with regard to copying, it would be found that several offices, which would be included in the proposed arrangement, would object to sending out a large proportion of their letters for that purpose, and that a great deal of copying is done in books which could not conveniently be parted with. Hence it would be necessary, even were the copying office established, to maintain a class of supplementary clerks in each office in addition to it, or else the clerks would be employed nearly in the same manner as at present, that is to say, without a proper distinction between intellectual and mechanical duties.

Another point to which the attention of the chiefs of offices should be called is, the importance of transferring the clerks from one department of the office to another, so that each may have an opportunity of making himself master of the whole of the business before he is called upon, in due course of time, to take a leading position. A proper system of transfers, according to fixed rules in each office, and insured by periodical reports to the chief, must exercise a beneficial influence both upon the clerks themselves and upon the general efficiency of the establishment. Periodical reports upon the manner in which each clerk has been employed, should be made to the chief of the office.

The advance of salaries in the Public Service is regulated upon a twofold principle. Each man, on being appointed to a clerkship in a particular class, receives for the first year, and in some cases for the first two or three years, what is called the minimum salary of that class, after which his salary increases, by a certain annual increment, to what is called the maximum salary; that is to say, if the minimum be £100 a year, the maximum £300, and the annual increment £15, the clerk receives £100 in the first year, £115 in the second, £130 in the third, and so on till his salary reaches £300, at which point it must remain stationary unless he is promoted to a higher class. He may, however, at any time, whether before or after attaining the maximum salary of one class, be promoted to a higher on the occurrence of a vacancy, if he is considered deserving of such promotion, and he will immediately thereupon begin to receive the minimum salary of the higher class, and to advance therefrom by annual increments, without reference to the amount he was receiving. The theory of the Public Service is, that the annual increase of salary from the minimum to the maximum of the class, is given as matter of course as the reward of service, and with no reference to the comparative merits of the individuals; but that promotion from class to class is the reward of merit, or rather that is regulated by a consideration of the public interests, and that those only are to be transferred from one class to a higher who have shown themselves capable of rendering valuable services in it. This salutary principle is, however, in practice often overlooked, and promotion from class to class, as well as the annual rise within the class, is more commonly regulated by seniority than by merit. The evil consequences of this are too obvious to require comment; it is, perhaps, more important to point out some of the difficulties which lie in the way of amendment.

If the opinions of the gentlemen engaged in the Civil Service could be taken on the subject of promotion, it would probably be found that a very large majority of them would object strongly to what is called promotion by merit. The reason they assign would be, that promotion by (so called) merit would usually become promotion by favoritism. The effect of the system of departmental patronage has been to

inspire the clerks in each office with a feeling of jealousy towards any one who is supposed to enjoy the especial favor of the chief of the Department, or, still more, of the principal permanent officer in it. Constituted as our official system now is, men feel, and not unreasonably, that the recognition of their merits, even within their own departments, is extremely uncertain, and that there is no appeal to any public tribunal if injustice is done them there. Even in an open profession a consciousness of unrecognized merit will sometimes weigh a man down, though he has always the hope that the justice which is denied him in one quarter will be done to him in another. In an office, if a clerk fails to please his immediate superior, he is probably condemned to obscurity for his whole life. The Parliamentary chief who presides over the department for a few years, and who is overwhelmed with business, can, as a general rule, know nothing of the merits of individual clerks in the lower ranks of the office, except through the permanent officers at its head. Now, setting aside cases of actual favoritism, there must be many instances in which the chief permanent officers fail to perceive, and properly bring into notice, the valuable qualities of those beneath them. A man may be timid and hesitating in manner, and on that account may be passed over as dull, in favor of some one by no means his superior in real worth, but having more address in recommending himself; or, on the other hand, the chief officer may have taken a particular fancy to some young man on his first entrance into the Department, and may have thrown in his way special opportunities of advancing himself, which others have not had. All such cases are watched with jealousy even now, and if promotion by seniority were wholly set aside, without the introduction of proper safeguards, they would be the cause of still more discomfort.

It ought, therefore, to be a leading object with the Government so to regulate promotion by merit as to provide every possible security against its abuse; and for this purpose we are of opinion that the following system should be adopted: On the occurrence of a vacancy in any class, the chief clerk, or other immediately superior officer, should furnish the Secretary of the Department with a return of the names of a certain number (in no case less than three) of the clerks at the head of the class below, accompanied by a special report upon the services and qualifications of each. In case there should be in the lower ranks of the class any man of merit decidedly superior to those above him, his name, with a note of his qualifications, should be added. The Secretary should make what remarks he thinks proper upon the list, and should then submit it to the head of the office, who should select the person to be promoted, and should make out and sign a warrant for his promotion, setting forth the grounds upon which it is made. A book should be kept in every office, in which should be entered the name and age of each clerk, or other officer, at the time of his appointment, the dates of his examination, first appointment and subsequent promotions, together with notes of all the reports made upon him from time to time, either on the occasions afforded by the occurrence of vacancies, or at other times, in consequence of some special instance either of good or ill behaviour. A reference to this book on the occasion of promoting to vacancies will enable the Head of the Department to form a tolerably correct estimate of the merits of each individual. It may be noticed that such a book is kept, with very good results, in the Commissariat Department.

With regard to the annual increase of salary, we are of opinion that it would be right to require that each clerk, before becoming entitled to receive the addition should produce a certificate from his immediate superior, that he has been punctual in his attendance, and has given satisfaction in the discharge of his duties, during the preceding year. Such certificates are required from the heads of rooms in the Ordnance Department, and from each Inspector in the Audit Office. They would ordinarily be given as a matter of course, but the knowledge that they might be withheld would be useful in maintaining discipline, and in enforcing regularity of attendance, which in some cases is a matter of difficulty, the only penalties which can at present be imposed for irregularity being those of suspension and dismissal, which are too severe to be applied unless in aggravated instances.

The subject of pensions and retired allowances is one intimately connected with the matters treated of in this paper. We are aware that it is receiving separate consideration from the Government, and we therefore abstain from entering upon it so fully as we should otherwise have done. We desire, however, to call attention to the importance of establishing a uniform and consistent system of regulating the amounts to be granted to superannuated public servants, with reference to the character of their service. Whatever decision may be taken as to the maintenance of the superannuation deductions, or of the present scale of retired allowances, we presume that the course now followed in the Treasury, of apportioning the pension of each individual with some reference to the character he has borne and the abilities he has displayed, will still be pursued. As, however, the Superannuation Committee in the Treasury changes with every change in the Administration, and as no systematic record of the merits of the public servants is kept at the offices to which they are attached, the application of the principle, which has been rightly laid down is attended with much difficulty and with an amount of uncertainty which deprives it of much of its value.

The want of encouragement in the form of good service-pensions and honorary distinctions is also severely felt in the ordinary Civil branch of the Public Service, which is the only one in which these classes of reward are not dispensed.

It is obvious that the proposed Board of Examiners might be turned to good account in supplying these defects. Duplicates of the books which we have recommended to be kept in the separate offices should be transmitted to the Department of Examination, which should also be furnished with all information relating to promotions and other matters bearing on the service of the officers in each Department. No grant of superannuation allowance or good service pension should be made by the Treasury without a previous report from the Board of Examiners embodying this information.

By this system, not only would greater certainty be introduced into the superannuation business, but a degree of inconsistency would be given to the whole scheme of promotion by merit, which would, we think, insure its success. It would also have this further advantage, that it would serve to direct the attention of the Government to the merits of individual clerks—now seldom known beyond the sphere of their own office—and would thus enable it to select deserving persons from the ranks of the Public Service to fill important situations which might become vacant. It is to be hoped that in future, if any staff appointment falls vacant in an office in which there is a deserving clerk well qualified to fill it, his claims will not be passed over in favor of a stranger, but this principle might advantageously be carried further, by filling the appointment with a person from another office, if there is no one in the Department itself qualified to take it, and there might often be occasions in which the advantages of encouraging public servants, and at the same time introducing fresh blood into an office, might be combined; as, for instance, by filling a staff appointment in office A by the transfer to it of a meritorious staff officer from office B, and then supplying the vacancy caused in office B by the appointment to it of one of the most deserving clerks in office A. The extent to which this principle could be carried into effect must, of course, depend upon circumstances, and upon a careful consideration of its working; but we do not see why it should not be tried.

Upon a review of the recommendations contained in this paper it will be seen that the objects which we have principally in view are these:—

1. To provide by a proper system of examination for the supply of the Public Service with a thoroughly efficient class of men.

2. To encourage industry and foster merit by teaching all public servants to look forward to promotion according to their deserts, and to expect the highest prizes in the Service, if they can qualify themselves for them.

3. To mitigate the evils which result from the fragmentary character of the Service, and to introduce into it some elements of unity, by placing the first appointments upon an uniform footing, opening the way to the promotion of public officers to staff appointments in other Departments than their own, and introducing into the

lower ranks a body of men (the supplementary clerks) whose services may be made available at any time in any office whatever.

It remains for us to express our conviction that if any change of the importance of those which we have recommended is to be carried into effect, it can only be successfully done through the medium of an Act of Parliament. The existing system is supported by long usage and powerful interests; and were any Government to introduce material alterations into it, in consequence of their own conditions, without taking the precaution to give those alterations the force of law, it is almost certain that they would be imperceptibly, or perhaps avowedly, abandoned by their successors, if they were not even allowed to fall into disuse by the very Government which had originated them. A few clauses would accomplish all that is proposed in this paper, and it is our firm belief that a candid statement of the grounds of the measure would insure its success and popularity in the country, and would remove many misconceptions which are now prejudicial to the Public Service.

STAFFORD H. NORTHCOTE.
C. E. TREVELYAN.

23rd November, 1853.

ORGANIZATION OF THE CIVIL SERVICE.

Letter from the Rev. B. Jowett, Fellow and Tutor of Balliol College, Oxford, to Sir Charles Trevelyan.

DEAR SIR,—I think two objections are likely to be made to the report you were so good as to show me on the "Organization of the Permanent Civil Service." First, that it is impossible to be assured of the moral character of persons elected by examination into the Public Service; secondly, that it is impossible to carry on an examination in so great a variety of subjects as would be required, and with such numberless candidates; in other words, that the scheme, however excellent, is not practicable.

I am convinced that neither of these objections has any real foundation.

1. For the moral character of the candidates I should trust partly to the examination itself. University experience abundantly shows that in more than nineteen cases out of twenty, men of attainments are also men of character. The perseverance and self-discipline necessary for the acquirement of any considerable amount of knowledge are a great security that a young man has not led a dissolute life.

But in addition, I would suggest that there should be a system of inquiries and testimonials, which might be made considerably more efficient than testimonials for orders are at present. The analogy of Insurance officers would afford the best model for carrying out such a system. I would propose:—

1. That the candidate should give notice (as in the case of orders) of his intention to offer himself at least three months before the examination.

2. That he should at the same time send papers comprising a certificate of birth and baptism, with a precise statement of all the places of his education, whether at school or college, together with testimonials of his conduct for two years previously from the head of the school or college in which he was last a pupil, and also a statement of his present occupation and residence.

3. That he should give references—

(1.) To a medical man,

(2.) To a magistrate; or, in case of inferior situations, to two respectable householders.

(3.) To a clergyman or dissenting minister; to all of whom carefully drawn questions respecting the candidate in the form of an insurance office paper should be submitted; the answers to be confidential. To prevent the possible forgery of a character, an independent letter might be sent to a clergyman or magistrate in the

district, with the view of his certifying to the existence and respectability of the references.

The scrutiny of the character and testimonials of the candidates ought to be quite separate from the examination. The rejection should be absolute and without reasons; whether it took place on medical or moral grounds would remain uncertain. In case of Parliamentary inquiry, however, a register of the reasons might be privately kept in the office.

With such, or even a less amount of precaution the standard of character among public servants would surely be maintained as high as at present, or higher; as high certainly as the standard of character which can be ensured in persons admitted to holy orders.

II. The second objection relates to the mode of examination.

(A.) To meet this, let us begin by supposing a division between the superior and inferior appointments, and, further, let us estimate the annual number of vacancies of the superior classes at 250, and the number of candidates for the 250 vacancies at 2,000.

This last (which, however, is probably the outside number) is somewhat alarming. The best way to disperse the crowd will be by holding examinations continually, say five in each year, three in London, one in Edinburgh, one in Dublin. Thus the number is reduced to 400 for each examination, a number which may be easily managed.

The examination should consist both of paper and *vidv voce* work. Where, as here, the object is to select a number of young men for practical life, the latter is of great importance. The aim in either should be to test general intelligence and power of thought and language, quite as much as knowledge of a particular subject.

The examination on paper of each candidate should last for about a week, to which would have to be added an hour of *vidv voce*. The amount of labour thus entailed (equal to the perusal of 4,800 long papers, and 400 hours of *vidv voce*), no less than the variety of subjects, would make it necessary that the number of examiners should be not less than eight.

Considering the nature of the employment, and that everything depends on the fitness of the examiners, their salary should be liberal. They should be permanent officers, and except for proved misconduct, irremovable. It is only by the office being made permanent that all men will in the first instance be induced to devote themselves to it, or will have the opportunity of acquiring the experience and facility necessary for doing their work well. Their irremovability, as in the case of judges, is the best guarantee for their independence. To relieve them as much as possible from details of business, they would require several clerks and a secretary. It would be very desirable that at the head of this "College of Examiners" some eminent person should be placed of the rank of Privy Councillor.

I will next proceed to the subjects of examination, in reference to which I think three principles should be kept in view. We should consider what are

1. The indispensable requirements of public offices generally.
2. What are the best elements of higher education in England, without special reference to the wants of the public offices.
3. What are the special attainments needed in any particular department of the Public Service, as, for example, the Treasury or the Foreign Office.

(1.) The qualifications most universally required of officials are to write fast and neatly, a thorough knowledge of arithmetic and book-keeping and English composition. I should propose to make these the subject of a preliminary examination, which might last for a single day. No candidate by whom this trial was not satisfactorily passed should be allowed to compete further on this occasion. This would have the advantage of limiting the number of candidates. No able man who was fit for the Public Service would be excluded by the requirement of arithmetic, if it were known beforehand to be indispensable. It is necessary to require it, or otherwise you will not get it.

(2.) When this preliminary examination has been disposed of, we come to the principal one, in arranging the subjects of which we have to consider what is the main staple of English education at the present day. It will not do to frame our examination on any mere theory of education. We must test a young man's ability by what he knows, not by what we wish him to know. The system of our public schools, of our two English, as well as the Scotch and Irish, universities, as well as the case of those who have not been at a university or public school, should be fairly considered in the arrangement of the plan. The knowledge of Latin and Greek is, perhaps, upon the whole, the best test of regular previous education. Mathematics are the predominant study of one of our universities. Moral philosophy is a principal subject at Oxford, no less than at Edinburgh and Glasgow. An increasing class of persons receive a foreign or an English, in contradistinction to what may be termed a classical education. Some of the candidates again may be entered at Inns of Court. Lastly, it may be remarked that there are subjects, such as physical science and civil engineering, which, notwithstanding their immense growth in the last few years, have scarcely yet found their way down into education, and in reference to which the proposed examination may be made to operate usefully. These, and similar considerations, should enter into our scheme, which, supported as it is by valuable prizes, must exercise a great influence on the higher education of the country.

(3.) The special requirements of the higher departments of the public offices appear to be chiefly two, viz., a knowledge of the principles of commerce, taxation, and political economy in the Treasury, Board of Trade, &c.; of modern languages and modern history, under which last may be included international law, in the Foreign Office. In the offices which are principally offices of account, mathematical talent may, with advantage, be insisted upon. Whether immediately wanted for the daily work of the office or not, all such attainments tend to give an official a higher interest in his employment, and to fit him for superior positions. They may also be regarded as reflecting honor on the Service. The requirement of these or any other qualifications would be determined by each office for itself, subject to the approval of the Board of Examiners, while the duty of the Examiners would be to guarantee with the special attainment the generally ability of the candidate.

In the following scheme it has been attempted to carry out the views which have preceded:—

FOUR SCHOOLS.

1.	2.	3.	4.
Classical Literature.	Mathematics with practical applications, and Natural Science.	Political Economy, Law, Moral Philosophy.	Modern Languages and Modern History, including International Law.

NOTE.—In the third of these Schools Political Economy would supply the requirements of the Treasury, Board of Trade, &c., while the subjects that have been grouped in the last school are more especially adapted to the requirements in the Foreign Office.

The details of these schools are left to the Examiners, with the single direction that original English composition should form a consideration element in the examination of all the candidates.

REGULATIONS.

1. The examiners to examine in each school, and to form a judgment separately on all the papers.
2. Two schools to be required of all candidates, and none to be allowed to try in more than two.

3. The examination on paper in each school to last for three days.
4. Each candidate to be examined *vidæ voce* for one hour in any school at his option.
5. The successful candidates to be placed in order of merit.
6. A certain number of appointments to be appropriated to each examination. The choice to be given to each candidate (in order of merit) of what office he desires to enter, provided he has fulfilled in the examination the requirements of the office he selects.

The order of proceeding would be as follows:—Say on the 1st of February the candidates (whose testimonials and references had been previously approved) have assembled and pass the preliminary examination in arithmetic and English composition. Two or three days after, the examiners, as soon as they have had time to read their papers and reject those who were not qualified, would proceed to the examination in the first school. This would be carried on by two of their number, while the remaining six would be engaged in their different schools with the *vidæ voce* examination of the rest. The "paper work" of the first schools would last about three days, and then would commence the "paper work" of the second school, conducted by its two examiners, while the *vidæ voce* of the other three schools was also going on. At the termination of the whole the names of the candidates, or rather of as many of them as there were appointments to be filled up, would appear in order of merit, with a notice appended to the name of each, of the schools in which he had been examined. Such a list would not be difficult to make out, if there were an uniform system of marking among the examiners, which might be such as to represent fairly the general ability of the candidates, as well as the precise result of the examination. Such a system is already in use at the Education Office, and is perfectly successful.

(B). The objection of impracticability will perhaps be felt to apply more strongly to the application of the scheme to the supplementary clerks, and, in general to the humbler class of public servants, on account of their great number and dispersion through the country, and also on account of the difficulty of devising a mode by which such situations as theirs can be uniformly made rewards of merit. The experience of the Education Department of the Privy Council Office, in which as many as 1,800 certificates of merit have been given, after examination, to school-masters and pupil teachers in a single year, shows that no numbers occasion any real difficulty.

First, let us suppose the number of the lower class of public servants to amount to 10,000, offering, perhaps, 500 vacancies annually. It would be, as you observe, unfair to subject the candidates for these small situations to the expense of a journey to London, Edinburgh, or Dublin. The examination must be brought to them. With this view the whole country might be divided into districts. A few assistant district examiners would be required for the superintendance of the examination, who might be furnished with the questions, and might bring the answers to London after each examination, and sorting them by subjects, determine on their merits, under the control of the Central Board.

The previous scrutiny of the moral character of the candidates would be conducted in nearly the same manner for all.

REGULATIONS.

1. The examination to be carried on by the assistant examiners.
2. To consist of reading aloud in the presence of one of them; of writing from dictation; of arithmetic; of geography; of writing a letter, or making an abstract; of *vidæ voce* on any subject calculated to test general intelligence. To which may be added an "useful knowledge" paper of common questions about common things.
3. The examinations of all the different districts to be brought together at the Central Office.

4. The names of as many candidates as there are vacancies, actual or probable, to be published, either in order of merit or divided into classes, according to the nature and value of the appointments.

A smile may be raised at the idea of subjecting excise men and tide waiters to a competing literary examination, as there might have been thirty years ago at subjecting village school masters to a similar test; but it must be remembered on the other hand,—

1. That such a measure will exercise the happiest influence on the education of the lower classes throughout England, acting by the surest of all motives—the desire that a man has of bettering himself in life.

2. That reading, writing, and arithmetic, a good hand, and the power of expressing himself in a letter, no less than the general intelligence tested by the examination, render the lowest public servant fitter for his position than he would be without them, and give him a chance of rising in the service.

3. The examination will relate to common things treated in a common-sense way. 4. That no other means can be devised of getting rid of the evils of patronage.

A further objection may be made to the selection of candidates by a competing examination, that this affords no test of fitness for places of trust, for which also their youth seems to disqualify them. But places of trust would not be given to youths just entering the Service, but to those whose characters were long tried in it.

In this class of public servants there would be at least as much security for high character as at present. They will have obtained their situations in an independent manner through their own merits. The sense of this cannot but induce self-respect, and diffuse a wholesome spirit among the lower no less than the higher classes of official men. Appointment by merit would not impair, but would rather increase the unity of the Public Service, while it would tend to take away from promotion by merit the appearance of being favoritism disguised.

Permit me to express, in conclusion, my earnest wishes for the success of the scheme. If carried out it will relieve public men from the abuses and from the annoyance of patronage; it will raise the Public Service; it will give all classes a common interest in maintaining its rank and efficiency. Though a subordinate aspect of it, I cannot help feeling, as a college tutor, its great importance to the university, supplying as it does, to well educated young men, a new opening for honorable distinction. The effect of it in giving a stimulus to the education of the lower classes can hardly be overestimated.

Yours, very truly,

B. JOWETT.

BALLIOL COLLEGE, January, 1851.

APPENDIX G.

FIRST REPORT OF THE PLAYFAIR COMMISSION OF THE CIVIL SERVICE INQUIRY COMMISSION, 1874.

The letter dated 27th April, 1864, which the Chancellor of the Exchequer addressed to our Chairman, requested us to direct our consideration to the following points in their bearing on the Civil Service:—

1. The method of selecting Civil Servants in the first instance:
2. The principles upon which men should be transferred from office to office, especially in cases where one establishment has been abolished or reduced in numbers, and when there are, consequently, redundant employes, whose services should, if possible, be made available in other Departments:
3. The possibility of grading the Civil Service, as a whole, so as to obviate the inconveniences which result from the difference of pay in different Departments:

4. The system under which it is desirable to employ writers or other persons for the discharge of duties of less importance than those usually assigned to established clerks, or duties of a purely temporary character.

We have found it convenient to divide the subject referred to us into the following heads:—

- I. The ordinary clerical establishments of public offices:
- II. The outdoor establishments of the Inland Revenue and Customs Departments. (The minor establishment of the Post Office we have held to be beyond the scope of the inquiry.)
- III. The appointments in various offices requiring special and technical qualifications and in such establishments as the British Museum and the Department of Science and Art.

Our present Report has reference to the first head only. The second and third will form the subject of a further Report.

THE ORDINARY CLERICAL ESTABLISHMENTS OF PUBLIC OFFICES.

Preliminary.

The questions which we are desired to consider have arisen out of changes which have been in progress more than twenty years. Before that time the appointment of clerks in the Civil Service was a matter of patronage. Nor, generally speaking, was there any attempt to separate inferior from superior work, or to pay for it according to its merit and value. The rapid growth of the Administrative Offices rendered the evils arising from this state of things more and more apparent, and in 1853 the first serious step was taken by the appointment of the present Chancellor of the Exchequer, and Sir C. E. Trevelyan, then Secretary to the Treasury, to assist in revising various growing offices, and also to report generally on reforms in the Civil Service. They collected many valuable opinions,* and made a general report, which may be regarded as the basis and starting point of the changes which have since been in progress. Speaking generally, they recommend:—

1. The separation of intellectual from mechanical labor:

2. Selection of clerks by open competition.

This division of labor was attempted in some offices by adding to the body of established clerks a supplementary class. The attempt broke down in some cases because the distinction between the persons appointed to the two classes, and the kinds of work allotted to them respectively, was not sufficiently maintained. Further endeavors to attain the same object were afterwards made in some large offices by creating a class of inferior clerks at weekly wages, with no permanence of tenure, and no right to superannuation, but with wages rising, either by seniority or merit, to a moderate maximum, and with the usual prospect of being employed so long as there was work to do, and as it was well done. The summary abolition of this class of clerks by the Order in Council of 10th August, 1871, led to the appointment of Mr. Otway's Committee, in 1873, and has had much to do with recent difficulties.

Nothing was done at first to establish the principle of selecting clerks by open competition; but in May, 1855, an important step was taken by the appointment of the Civil Service Commissioners, who were to examine all persons proposed to be appointed; and this was followed by the passing of the Superannuation Act in 1859, by which the possession of a certificate from the Commissioners was made, for all ordinary situations in the Civil Service, an essential condition of a right to superannuation. About the same time most of the offices adopted the plan of limited competition, under which each Department had a scale of examination suited to its own requirements, and three or more candidates were nominated, of whom the one who got most marks in the competition was appointed to the clerkship. By a subsequent development of the same plan, no person was permitted to enter for one

* "Papers relating to the reorganization of the Civil Service, 1855."

of these competitions who had not previously passed a preliminary examination in the more elementary subjects. This system continued in force for some years, and, according to the opinions of many good judges, produced valuable results.

It was put an end to by the recent Orders in Council, under which unrestricted competitive examination has been made the only door of entry to the general Civil Service. The effect of these Orders, as administered by the Treasury, is as follows:

The work of the offices is carried on by Staff officers, by two grades of established clerks appointed under what are known as Regulations I and II, and by a fluctuating body of writers.

The Writers.—These do not belong to the establishment. They are placed on a register after examination by the Civil Service Commissioners, and are supplied in the required numbers to any office which asks for them; they are paid either by piece-work or at the rate of 10*d.* an hour; have no permanence of tenure, no prospect of advancement, and no claim to pension. There are at present about 1,200 Civil Service writers employed, including boys.

The Clerks under Regulation II.—These are selected by open competitive examination of a moderate kind, conducted by the Civil Service Commissioners. The number of successful candidates is regulated by the number of vacancies existing at the time when the results are declared, and each candidate in order of merit has his choice. But the choice, being restricted to these vacancies, gradually becomes smaller and smaller, as one after another of them is filled up, and the last man has no choice at all. If the candidate refuses the situation which falls to him, he is struck off the list, and not only retains no claim to be appointed to fill any future vacancy, but is debarred by such refusal from taking part in any subsequent competition under the same regulation. The office has no choice whatever, and unless it rejects the clerk within the period of a six months' probation, is bound to retain him. He can rise to the top of that part of the clerical staff in his office which is recruited under Regulation II., but has no prospect of being promoted to the higher class of clerks appointed under Regulation I.

The Clerks under Regulation I.—These are selected by open competitive examination of a high order. They were expected to be drawn from the best class of University men, and were intended to form the superior class in those offices which need high social and educational acquirements. The practice in filling up vacancies is the same as under Regulation II.

Staff Officers.—These differ very widely in different offices, in number, salary, and position. In some offices they do all the superior work, and occupy the position which in other offices is occupied by superior clerks. They are appointed either from the clerks or from outside the office or the Service. They cannot get superannuation unless they have obtained a certificate from the Civil Service Commissioners, or are exempted under the special provisions of the Superannuation Act; but examination is in general dispensed with.

The clerkships in all public offices, with but few exceptions, fall under one or other of these regulations. The number admitted by competitive examination to 30th June, 1874, was—

Under Regulation I.....	20
Under Regulation II.....	284

The unequal value of the situations to be computed for under each of these Regulations is very remarkable. From a return made to the House of Commons (No. 410 of 1873), it appears that there are wide variations, both in the initial and final salaries. As an example of these, under Regulation I, we have—

Public Record Office, Ireland, £100, rising by £5 to £120, and no further.
Treasury, £250, rising by £20 to £600, with a prospect of £1,500.

Under Regulation II the variations are equally striking, as will be seen by the following examples:—

Burial Grounds Office—£80, by £5 to £100, and no further.

Inland Revenue—£90, by £10 to £150, with prospect of £650, and the possibility of rising to £1,200 a year.

The experience of the above changes leads to the following observations on the merits and demerits of the different methods of appointing clerks:—

The advantages of the system of patronage, whether unlimited, as was the case before 1855, or restricted, as it was after the establishment of the Civil Service Commission, were,—First, that each Head of a Department was able to adapt the qualifications and pay of the clerks in his office to the peculiar wants of that office; and secondly, that the clerks, receiving their appointments as a matter of favor, and being appointed to a particular office and not to the Service generally, looked for their career to the pay and prospects offered by that office, and were less disposed than they are under the present system to claim equality with higher paid offices, and to combine for the purpose of urging their claims on the Government. These are no trivial advantages.

On the other hand, the objections to patronage were,—First, the obvious and popular one, viz., the danger of jobbery;* secondly, the tendency to create places in order to satisfy applicants; and lastly, the tendency to maintain the system under which the higher work of an office was mixed up with the lower, so that the nominee of a Minister entering by a low examination might be promoted without further test to a superior position.

It may seem superfluous thus to discuss a question which is settled by public opinion, more especially as we are informed by the letter of the Chancellor of the Exchequer that the Government desire, as a general principle, to uphold a system of selection according to merit as opposed to selection by the simple exercise of patronage. But it will be seen in a later part of our Report that one of our principal objects has been to secure the advantages arising from the selection of clerks suitable to any office by the persons responsible for its administration, at the same time that we avoid the evils of patronage by adopting competitive examination as the test of eligibility.

As regards appointment by competition, there seems to be no doubt that both the limited competition which existed before the recent Orders in Council, and the open competition for clerkships under Regulation II., have produced good candidates.

But open competition raises the following serious difficulties:—

Firstly. The wants of offices are very different, requiring different capacities and acquisitions, and consequently different pay. It is impossible to have a separate competitive examination for each place; and any uniform and general competitive examination must be too high for some places and too low for others, or where not too high or too low, must, if it is appropriate to some places, be inappropriate to others.

Secondly. It may well be doubted if any examination can effectually test a man's real and permanent capacity for the practical business of life.

Thirdly. The acquisition of clerkships by success in a competitive examination places clerks in a relation towards their employer, the State, very different from that occupied by persons who owe their places to personal selection.

The first two of these difficulties have a direct bearing on the efficient organization of the Civil Service; whilst the third has more immediate relation to the feelings of Civil servants. In neither of these respects, nor yet in point of economy, can the administration of the recent Orders in Council be considered successful.

First, as regards efficient organization. As above stated, three descriptions of clerks were provided for. At the bottom were to be Civil Service writers, to whom

* Where a Head of a Department has to appoint a lad, so young that he can know little about him, to a clerkship so low in the office that he is not affected by the way in which the clerk does his work, personal or political objects may well prevail, and it is for such cases that selection by competition is needed. Where he has to appoint a man of mature age, whose character is formed and known, to a post the work of which tells directly on the business of the office, reason and experience alike teach that his personal discretion will, in general, be carefully and honestly exercised.

the lowest and most purely mechanical duties were to be committed. No one wishes to preserve this part of the scheme; and as it is more fully discussed below, in the answer to the Chancellor of the Exchequer's fourth question, we forbear to dwell upon it here. The established clerical service was to consist of two distinct grades of clerks, the one admitted by a very high, the other by a comparatively low competitive examination. It may have been intended that each office (after eliminating the Civil Service writers and their work) should contain a certain proportion, varying according to its work, of clerks of both grades, differing from each other in pay, prospects, and position throughout their whole careers, each grade performing a distinct class of work. But assuming this to have been the intention, the distinction is not applicable to the real facts and wants of the Service. The work cannot be divided in the manner proposed. The standard of qualifications under Regulation I. is too high. The method of choosing and determining the superior officers of an important Department for the whole of their official career by the test of passing a literary examination at the age of leaving school or college is, to say the least, an extremely doubtful one; and the result is not approved in the office which has had the greatest experience of it. A further and a very formidable objection to such a scheme is to be found in the barrier to promotion by merit from the inferior to the superior class. The effect of this objection there has not yet been time to experience in any office; but that it will be serious cannot be doubted, when it is considered that the pay, position, and work of the inferior class is, in many cases, as high as that of the superior class. As a matter of fact, these objections have proved so strong that the above intention, if it was the intention, has only been carried into effect in a very few offices. Some offices evade it by the expedient of employing numerous Staff officers instead of clerks under Regulation I.; and many offices have preferred to organize themselves entirely under Regulation II., so that the whole of their establishments are recruited under the comparatively low examination of that regulation.

The result is, that whilst in some offices clerks appointed under Regulation II. can rise to places of great trust, importance, and value,—in other offices, whose clerks are appointed under both regulations, clerks appointed under the same Regulation II., and presumptively equal in capacity, are relegated to inferior duties and positions; and at the same time it may, and occasionally does happen, that even clerks appointed under the comparatively high examination of Regulation I., fail to obtain work or pay as high as is given in other offices to clerks appointed under Regulation II.

In short, the distinctions effected by these two regulations do not apply to the facts of the Service, and the consequence is, that where Regulations I. and II. exist in the same Department the division of labor contemplated by them cannot be maintained, while in a Department recruited wholly under Regulation II., there is no division of labor at all, except that which was contemplated by the establishment of Civil Service writers, which is wholly inadequate and has failed.

Nor, in point of economy, has the recent change been successful. In the first place, the objection to the system of writers, now universally admitted to be well founded, has led to the creation of a larger number of clerks under Regulation II. with comparatively high salaries, than would be necessary if, as we suggest below, the lowest class of permanent work were intrusted to a properly paid and organized class of clerks. In the second place, there has been, and is, a tendency to create highly paid appointments under Regulation I. Although entrance by examination under this regulation has scarcely been brought into operation, several Departments have obtained for their existing clerks the high rates of pay appropriate to the clerks expected to enter by an open competitive examination of the highest order, and have, in some instances, obtained them with a lavish liberality. In these two ways the recent changes have not tended to economy in the Public Service.

It is, of course, inevitable that there should be inequalities of pay in the Civil Service. In the Army or Navy there is uniformity of duties, which points naturally to uniformity of pay, though not to uniformity of promotion. But in the various

Departments of the State there is the utmost variety of work, some part of it requiring a high order of intelligence and discretion, and other parts only involving fidelity and diligence in the performance of routine duties. Even in different branches of the same Department this variation in the conditions of service prevails. Hence it is not surprising that there should gradually have arisen great variety in the scales of salary, and in the rates of promotion, throughout the Service.

But these inequalities have been artificially increased by the introduction of Regulation I. and Regulation II.; they have been placed in an invidious light by the application of a common competitive examination test; and that test has been so applied as to prevent any appropriation of the different places and pay to the candidates specially suited for them.

Two clerks, who have passed the same examination, may pass into different offices. The more fortunate clerk may find himself in an office of high pay and quick promotion, while the other may be in one where pay is low and promotion is in stagnation. At the end of a given number of years, without superior merit on one side or demerit on the other, the two clerks, who started with equal claims, would find that whilst one had advanced with rapid strides the progress of the other had been stopped.

Clerks who have been admitted by open competition are led to conceive themselves wronged if they are not equally well off with all who pass the same examination; they look upon their career as a matter of right; and they combine to get their claim to equality listened to. Again, clerks under Regulation II. find themselves frequently doing work as high as, or higher than, that done by clerks in the privileged class, and they naturally are discontented, and press for equality. Nor is this all, for we find, as a matter of fact, that the existing clerks who have not entered the Service by competitive examination are rendered discontent if the same benefits are not extended to them as are held out to the successful candidates in future competitions. In all these ways the present system of competitive examinations tends to promote discontent and extravagant claims.

The discontent which undoubtedly prevails to some extent in certain branches of the Service has thus been aggravated by recent changes. It cannot, however, be wholly attributed to these changes. The prices of various commodities have greatly increased within the last few years, and rates of wages are, as a rule, higher than they were. Many employers of labor have had to increase the salaries paid to their clerks, and it is not unnatural that clerks in the Civil Service should expect a similar increase.

Under these circumstances we have endeavored to ascertain what is the present market value for clerical work by procuring the scale of clerical salaries in many large private establishments, under which term we include Railway Companies, the Railway Clearing House, the Mersey Board, Banks, Insurance Offices, and Firms of Solicitors; and the results will be found in the Appendix. It is not easy to form a complete comparison between different scales of work and pay, the conditions of which vary so widely. But we think we are justified in stating that, taken as a whole, the pay of the Civil Service, including fixity of tenure and superannuation, compares favorably with that given in private establishments, whilst for the lower class of clerical work it is certainly higher.

Again the hours in private establishments are generally from about 9:30 a.m. to 6 or 7 p.m., whilst those in the Public Service are generally from 10 to 4, or from 11 to 5.

Again, private establishments differ from public offices in being free from any rules or practice of promotion by seniority or routine, for they generally, if not universally, advance their clerks and select them for the higher posts simply according to their merit and value. The result is that in these establishments, by a process of natural selection, able and industrious men have a better chance of promotion, whilst men of inferior capacity remain through life in inferior positions. A further feature in which most private establishments differ from the public offices is, that their clerks constantly change service and leave them for better appointments else-

where, a thing which—to whatever cause it may be attributed—is of rare occurrence in the Public Service.

The following, therefore, are among the difficulties which we have to endeavor to meet:—

1. To frame such a plan of general selection by competitive examination as will fairly meet the general requirements of the Service, and will at the same time admit of a certain degree of freedom to the Department in choosing the man it wants, and of a certain degree of freedom to the candidate in choosing the place which suits him.
2. To reconcile, as far as possible, the place and position to be acquired by success in a competitive examination with freedom of promotion on account of merit.
3. To arrange the principles of payment and promotion, so that in all offices there may be both reasonable prospects for all deserving men, and means of further rewarding the more efficient, without unduly burdening the public purse.

Unless these difficulties can be solved more or less perfectly, we shall be unable to give a satisfactory answer to the questions referred to us. They are, no doubt, formidable, and it would be presumptuous to say that our proposals will certainly and finally dispose of them. But we think that the general scheme which we are about to propose affords a fair prospect of success, if it is reasonably and efficiently administered. Under these circumstances we proceed to consider the questions in succession.

1. *The Method of Selecting Civil Servants in the First Instance.*

We have already pointed out the difficulties of selection by competitive examination, and the objections to which the present system is open, owing, chiefly to the great range of the duties to be provided for, extending from the highly responsible duties of the chief clerks of a political department to the merest routine of accounts or registration.

For such a range no one standard of examination can possibly be suited, and we propose, in the first instance, to separate from the superior service the very large class employed on work of a lower character, and to have different systems of examination for the two divisions. The mode in which we propose to effect this separation is given below in considering the third of the questions referred to us. It is only necessary here to observe that this separation is of a different kind from that which exists between Regulations I. and II. of the existing scheme, according to which whole Departments, including inferior as well as highly paid and responsible officers, are recruited under the simple examination of Regulation II.

The mode of selecting clerks for the lower division of the Service presents comparatively few difficulties. Their work, pay, and prospects will in all branches be comparatively uniform. There is, therefore little need, either for variety in the examination, or for selection on the part of the office on the one hand, or of the candidate on the other. We recommend that the Civil Service Commissioners should hold twice a year, or more often if necessary, competitive examinations in subjects included in the range of an ordinary commercial education. These will be the same, or nearly the same, as are now prescribed for examination under Regulation II., which was sufficient for the inferior, but insufficient for the superior clerks brought in by that standard.

A list of those who are the most successful in the competition should be made out in the order of merit, and this list should, in order to prevent delay in filling up vacancies, and also to provide for temporary service as described below in answer to the 4th question, be in excess of the number of permanent clerkships which are likely to be vacant. From this list the Civil Service Commissioners should, on application from any Department which has vacancies, supply the requisite clerks. As a general rule, they should be supplied in the order in which they stand on the list;

but it should be competent to any Department to make special application for, and to the Civil Service Commissioners to supply a clerk who has in his examination shown special qualifications in any particular subject.

The period of probation should not be less than a year, and if a clerk is rejected by his Department within that time, the rejection should be signified to the Civil Service Commissioners, with the reasons. If those reasons are, in the opinion of the Civil Service Commissioners, sufficient to show that he is unfit for the Service generally, he should be struck off the list; if not, the Commissioners should have the power of giving him a trial in another Department.

The limits of age within which a candidate should be appointed to the lower division should be from 17 to 20, except in the case of boy clerks.

Boy clerks (concerning whom more will be found below in our answer to the 3rd question) should be admitted from 15 to 17 years of age, by a competitive examination of a very limited character. After approved good service, they should be allowed to compete among themselves for a limited number of appointments to clerkships in the lower division, at an examination to be held in the subjects proscribed for admission to that division. Those who do not obtain appointments as clerks should not be retained in the Service after completing their 10th year of age.

The examination for the higher Division of the Service cannot be so simply disposed of. The variety and range of duties in this division of the Civil Service (after those committed to the lower division are eliminated) are so great, that no one examination will *by itself* adequately test the various capacities required. And the variety of pay and position necessarily attached to these different duties is also so great that any attempt to make them all depend simply on success in a literary examination must end in injustice, discontent and failure.

Various expedients have been suggested to meet these difficulties. We have already stated the objections to the one adopted by the existing scheme. Another suggestion is to group the offices according to their several duties; to attach different examinations to the different groups; and to adapt the pay of each office to its examination; whilst a further modification of this suggestion is that the different divisions of the same offices should be distinguished, and be recruited by a higher or lower examination according to the character and importance of their work; and that their pay should vary accordingly.

But these suggestions are inapplicable to the facts of the Service. The offices are not distinguishable into well-defined groups, some requiring high and others low capacity. On the contrary, there is every gradation from the highest political office to the merest routine office. There is scarcely any office of importance which does not itself require a wide and varied range of duties. In many, perhaps in most, of the offices, and especially in those which are partly political, partly administrative offices, and which form so large and so increasing a portion of the whole Service, the range of duties comprises the faithful superintendence of a routine administration on the one hand, and versatility, tact, judgment, and the power of dealing with new cases on the other. Nor can the distinction, which it is thus impossible to draw between different offices, always be drawn between different divisions of the same office. In general, each division of an office, as well as each office, comprises a range of duties which makes such a distinction impracticable.

Under these circumstances a Service in which one office or one branch of an office, is distinguished from another by barriers so artificial as those above suggested, would neither be a successful nor a contented Service. Such a scheme would, moreover, be open to the further serious objection that it would put a stop to one of the most useful stimulants to good service, viz., the possibility of appointment to the clerkships in the more highly paid offices or branches of an office from amongst the clerks who have given proof of their industry and ability in offices or branches which are less highly paid.

We are satisfied, after much consideration, that the only mode in which these difficulties can be met is to combine with selection by competitive examination a

certain amount of freedom of choice, both on the part of the offices and of the candidates. And we think that this can be effected in the following way:—

We propose that all candidates for the higher division should first pass a preliminary test examination, open to all persons above 17. There should be (say) four examinations in a year in London, Edinburgh, and Dublin; at which the subjects should be—

1. Handwriting,
2. Arithmetic (including vulgar and decimal fractions).
3. English composition.
4. Geography.
5. English history.

By this examination, which would not be competitive, candidates obviously incompetent would be sifted out in the first instance.

Having passed this preliminary examination, candidates should be eligible for the second examination, which would be held twice a year in London. This examination would be competitive, and it should be of such a character as to suit young men from 18 to 23, adequately trained at a good public school, good private school, or university. The competition should be limited to a small number of subjects, selected by the candidates out of a list of subjects prepared by the Civil Service Commissioners in consultation with the Departments. This competition would determine the successful candidates, who should be placed in alphabetical order, subsequently, any successful candidate might offer himself for an examination in any other of the subjects in the list, and, if successful, the fact that he had so passed should be noted against his name in the list.

There remains the question, on what principle the select list should be framed, i.e., whether by taking up such a number as might be required those who obtained the greatest aggregate of marks, or by placing upon it all those who came up to a certain standard in a certain number of subjects; this standard to be determined by experience with reference to the average supply of qualified candidates and the average demand for them.

The first of these two methods has some advantage in point of simplicity, but it is liable to objections on other grounds. Both satisfy equally the conditions of competition, though upon standards have the advantage of the experience of our great Universities, and by the aid of good examiners under the Civil Service Commission might be made to produce satisfactory results without creating an undue balance between supply and demand. Any system which attempts to range candidates according to the aggregate of marks obtained in a variety of subjects must be attended with peculiar difficulty, involving as it does the problem of estimating with strict numerical accuracy the relative values of different kinds of knowledge and ability, displayed, it may be, in widely different branches of study.

The number of candidates selected should be such as might suffice to maintain a list somewhat in excess of the number of vacancies expected during the following six months. When the candidates have thus, by successful competition, been placed on the list, with or without honors, they should be eligible for appointment by any Department which has a vacancy, but should have no claim to an appointment. As vacancies occur in the several Departments, the Head of each Department should be able to select for the place any one of the candidates on the list.

The candidate should be at liberty to accept or to reject the place, and if he rejects it, his name should still remain on the list until he has attained a certain limit of age, say 25, at which time, if he has not obtained any appointment, he should be struck off the list.

The Head of the Department selecting the candidate would thus have before him the whole list, including a statement of the subjects in which the candidates have succeeded in the competition, and of the extra subjects (if any) in which they have passed in honours; it would be in his power to make the passing in any one or more of those subjects a condition of appointment to all or any of the clerkships

in his office as occasion might require; and he would have the further opportunity of making any enquiries he might think fit concerning the character and antecedents of the candidates on the list.

The candidate, on the other hand, would have the right of refusing any place which he did not like, reserving his chance of a better or more suitable appointment.

There would thus be considerable freedom of selection on the part of the office, and of refusal on the part of the candidate. The general standard of the Public Service would be maintained and raised, for no candidate would be capable of appointment unless he had first obtained a good position in a perfectly open competitive examination of a high character; the wants of each office would be consulted, for there would be an opportunity for personal enquiry, and for the application of tests of special and additional qualifications; the candidate would voluntarily accept his place and career on the personal offer of the Head of Department, and having so accepted it, could not subsequently make the necessary inequalities of the Service a fair ground of complaint.

When to this is added the proposal, which we make below, to the effect that all persons who thus enter the Service shall have the prospect, if found by experience to be capable and industrious, of attaining a fair competence, we think that the system of entry into the Service by competitive examination will no longer afford the motives for discontent and extravagant claims which we have stated to be among the evils of the present system.

We are aware that it may be said that this is a partial return to the system of patronage. We admit that it is so, to the extent of giving to the Head of the Department the power and the duty of exercising some choice in the appointment of his clerks, and we think that it is right in the interests of the Service that it should be so. But this power is granted by an open competitive examination which will effectually prevent any Head of a Department from appointing clerks unless they possess ample educational qualifications.

It may also be said that a candidate who has passed a very high examination may still receive an appointment of much less value than one who has been beaten by him in competition, or has failed to pass in so many subjects. But this objection assumes that comparative success in a literary examination confers, not merely a qualification for service, but an absolute title to a comparatively high rank in the Service—an assumption which seems to us to be entirely unfounded, and to be contrary to the best interests of the Service.

Lastly, it may be said that a successful candidate may never receive an appointment at all, and that thus the examinations will become discredited. But this, to say the least, is extremely unlikely, and whatever loss the Public Service might suffer from this cause would, in our opinion, be more than compensated by the advantage of securing that the Heads of Departments should choose their officers.

After a candidate has obtained his appointment, he ought to remain on probation for a year. If not then confirmed he should be dealt with in the same manner as candidates for the lower division of the Service are dealt with under similar circumstances.

We have received, and have considered with much care, representations from civil servants, to the effect that under the old system of patronage they were in the habit of receiving from Ministers appointments for their sons and relations; that this opportunity of providing for their relations has been lost to them by the recent changes, that this practice was of great value to them, more especially as public servants have not the same opportunities as persons in private employ, of procuring employment for their children; and that, at the same time, it produced a body of trustworthy public servants, animated by a certain *esprit de corps*, and by useful official traditions.

We think that there is much force and truth in these representations, and we should be glad if good service to the State on the part of the father could be made the ground for giving to his children any special opportunity for rendering similar

services. But, after careful consideration, we do not recommend that any exception should be made to meet these cases.

The children of public servants will, under our scheme, have equal opportunities with all others of competing for the list of eligible candidates; and when once on that list, the advantages which they used to possess will still have their fair and proper weight. But if certain places were set aside for the children of public servants, or if they were placed on the list of eligible candidates without proving the usual qualifications, the result would certainly be either that, as a rule, such candidates would really possess inferior qualifications, in which case the Public Service would suffer, or if not really inferior, they would be supposed to be so, and would thus occupy in the Service the position of a despised and inferior class.

II. *The possibility of grading the Civil Service, as a whole, so as to obviate the inconveniences which result from the difference of pay in different Departments.**

We have already referred to the various attempts made to grade the Civil Service, according to the character of the work, from the Report of the Chancellor of the Exchequer and Sir C. E. Trevelyan in 1853 down to the recent Orders in Council. The history of these attempts shows how important this object has been considered, and how serious are the difficulties to be encountered in effecting it. The principal cause of these difficulties is to be found in the fact (which was not sufficiently recognized in making the recent changes) that there is in most offices work of all sorts, from the merest routine to the most important, and a complete gradation between the two. The tendency of the growing offices has been to employ as much inferior labor as possible; whilst, at the same time, they have been compelled by stress of business to commit to men engaged on low terms any work which they could not get done by established clerks. The result is that clerks on the superior establishment, supplementary clerks, temporary clerks engaged on weekly wages before the recent Orders in Council, and even Civil Service writers, are too frequently employed side by side on the same work. Where permanent supplementary clerkships have been created for the performance of inferior work it has been found, under a system of patronage, that men of the same social rank and education as the higher established clerks were appointed to these clerkships, and great confusion was the result. The system of temporary clerks on weekly wages succeeded well enough for the few years during which it was tried. But it was put an end to by the recent Orders in Council, before it had lasted long enough to reach the real point of difficulty, viz., the time at which good temporary clerks who had passed many years in rendering efficient service might have expected further promotion and reward or superannuation. Moreover, the terms on which these temporary clerks were engaged having been once set aside by the Government without fault on their part, and without the assent of the Departments which employed them, it will be difficult for the future to induce good men to accept such terms. The expedient of employing Civil Service writers has proved even more unfortunate. No stimulus exists for men who have nothing to look to beyond a uniform 10*d.* an hour; and, as a matter of fact, the evidence, almost without exception, proves that the system is as unsatisfactory to the Departments as it is to the men themselves.

The division of labor is, therefore, as experience shows, beset with difficulties. It is nevertheless, in our opinion, the key of the position.

The amount of simple routine work in the bulk of public offices is very great in proportion to the amount of work of a higher class. The mechanical and monotonous labor on which clerks must, under such circumstances, be so long and continuously employed in offices where no division, or an inadequate division, of labor exists, does not, by any means, as a matter of course, fit them for discharging the

* The question of transferring clerks from office to office depends upon the classification of the clerks, and we therefore propose to consider, first, the possibility of grading the Civil Service.

duties of those higher posts in the Service which involve responsibility, discretion, and power to direct work, and to deal with the outside public in such a manner as to uphold the credit and efficiency of their Departments. It need hardly be pointed out that, having regard to the limited number of these higher posts, it would be a great waste of power to require that all the clerks employed in the Service should have received a sufficiently liberal education to fit them to fill such posts with efficiency. But even those so fitted in the first instance, unless, from some exceptional circumstances, they have, at an early period of their career, had work given to them which develops their powers, are apt to degenerate into mere mechanics, and become incapable of the exercise of higher qualities. The routine work in which they have been so long engaged, and with which they are so familiar, appears to them to be the end instead of being merely the means to the end. They cannot distinguish and separate the substance from the form in which it has always been presented to their minds, and the result is that a large number of the general body of clerks are not qualified to fill efficiently the higher posts in the Service.

Another consequence of not distinguishing work of an inferior kind from the more important work of the Service, is the discontent to which it leads. Although, as we have said elsewhere, the pay of the clerks in the Civil Service, as a whole, compares favorably with that of clerks in private employ, the former in many large offices suffer under a real evil in the slowness of promotion which is the necessary consequence of very large numbers in the lower, as compared with the higher classes, all having a presumptive right to rise to the classes above them, and few of them having any real prospect of doing so. This is, in our opinion, the real grievance of the Service, and it can only be met either by paying extravagantly for inferior work, which is, of course, out of the question, or by distinguishing the work and pay so that the mass of the inferior work may be entrusted to a class of men to whom comparatively low salaries will be an object, and so that all those who do superior work may have a fair prospect of increase of pay and promotion.

Unless, therefore, some division of labor and of pay can be effected, it is impossible to establish either any general system for testing efficiency, or any system of pay or promotion which will stimulate and reward efficiency, or remove grounds for discontent.

It appears to us that, under these circumstances, there is no other possible way, if due regard be paid both to the economy and the efficiency of the Public Service, of providing for the range of work which exists in public offices, than by making a distinction between those classes of clerks who do the higher and more responsible work, and those who do the inferior work. To carry this out under a system of open competition, it is necessary that there should be, as we have proposed above, two separate and distinct schemes of examination for admission to the Public Service, and two separate and distinct grades of clerks, the comparative numbers in such grades varying widely, of course, in different offices, according to the character of the work of each. To each of these grades, certain service rates of pay should be attached throughout the Public Service, and persons should be appointed on the distinct understanding that they have no claim to go beyond the maximum of the service salary of the grade in which they are placed, and that any further advancement must depend on special official aptitude. Clerks in the lower division, of which the work will be uniform throughout the Service, should also understand distinctly that they are to serve in any office under the State where they may be wanted.

Beyond these two grades of clerks there would be staff appointments, including such officers as chief clerks and principal clerks, of which the number and pay should be fixed with reference to the work of each Department. The selection of men to fill these offices should be left entirely to the Heads of each Department, with the full understanding that, within the office, merit and not seniority is the condition for selection, and that recourse may, if necessary, be had to the outside world. The responsible Head of a Department has so strong an individual interest in having these appointments efficiently filled, that he is not likely to abuse this

power, even if it be optional with him to appoint to such offices from outside the Service. As pointed out by Sir Louis Mallet in his evidence, any thoroughly competent man already in an office has a great advantage over an outsider, and is certain to get his due. It might be well, however, that all staff appointments should be included in an Order in Council.

The rate of remuneration to be fixed for the lower division of clerks should only exceed the rate fixed for similar work in the open market by such an amount as will attract to the Public Service the *élite* of the class employed on similar work outside of it—that is, the *élite* of that class of persons by whom such situations would be valued as offering them better pay than they could otherwise obtain. An excessive rate of pay for such work, more especially when admission to the Public Service is regulated by open competition, attracts men of a class employed generally upon higher work outside, and men who are capable of performing much better work than that required of them. Such men, finding their position fall short of their expectations, are not the most efficient agents for the performance of the work they have to do. Too often they either become disheartened and lose their energies altogether, or devote them to matters outside of the Service, or to an agitation for levelling up their salaries to those of some other Department in which the rates are higher. Nor is this to be wondered at. They know that their own salaries are not fixed with reference to the work which they have to do, measured by the salaries paid in the open market, and they see no reason why they should not be paid as well as the highest paid Departments, in which, presumably, the rates of salary have as little relation to the character of the work as in their own.

With these views we think that the salaries of the lower division should commence at £80, and rise by triennial increment to £200. Beyond this there should be a few places in each office, with duty pay not exceeding £100 a year, which may be given to clerks in this lower division; if they have special aptitude, thus conferring on them a rank like that of non-commissioned officers. These increments and this duty pay should be given in the same manner and on the same conditions as the service scale increments, and duty pay in the higher division, as detailed below.

We have taken a great deal of evidence respecting boy clerks, from which it appears that their employment, under proper supervision, is both desirable and economical. In every office there is some work which can be done by boys as efficiently as by men. The experience of the Civil Service Commissioners, as described in the evidence, is that a very ordinary boy, early in his career, will do more than half a man's work, while he can be got for less than half a man's wages, and that the best boys will do more than an average man's work. The aptitude, moreover, which he gains while a boy clerk, renders him at once valuable to an office when he succeeds in obtaining the position of a man clerk. We, therefore, propose that the lower division should embrace a class of boys, a limited number of whom should be promoted to be clerks after approved good service, those not so promoted being discharged on attaining their nineteenth year of age. The manner in which these boys shall be selected and promoted we have explained in answer to the first question.

The whole of our proposals on this part of the subject are based on the assumption that the lower division is recruited strictly as we suggest. Any attempt to recruit this division from such men as form the main body of Civil Service writers would result in the collapse of the whole scheme we have recommended; though, as we state hereafter, we do not doubt that among the writers there do exist men who would be well fitted for the new body. But we cannot too strongly state our conviction that, to a large extent, the efficiency of the Public Service will depend upon this lower division being recruited from the men whom the proposed terms of service will attract in the open market. Not only is the efficiency of this division, in itself, a matter of the gravest importance, but it also affects most seriously the constitution and numbers of the higher division. Unless the lower division is able to take a large proportion of the work now done by established clerks, our scheme would be unjustifiably extravagant.

The rate of remuneration to be paid in the higher division should be such as would attract men of a liberal education, who would otherwise go into the open professions. The possible prizes would of course be much smaller than those attainable outside the Service; but the credit of serving the Government, the character of permanency, prospect of pension, and other advantages which obtain in the Civil Service of the Crown, would by many be regarded as a sufficient inducement.

The rate of salary which we recommend for this division is £100, rising by triennial increments to a maximum of £400, so arranged that a clerk whose increments are awarded without stoppage or deduction shall reach his maximum in (say) twenty-four years from his first entry into the Service. These rates of pay should be uniform throughout the Service. Besides this, the clerks in this division should, if qualified have the prospect of the duty pay mentioned below, and of appointments to Staff offices.

We recommend these rates of pay on the assumption that the number of the higher division will be comparatively small, owing to the existence of an efficient lower division.

These clerks should be required to go through carefully and to master all the details of the more simple and routine work which the lower division are employed upon. This should be done during their period of probation. If at the end of that period they have not succeeded in doing this, and in satisfying the Head of their Department that they are likely to become useful members of the higher division their appointments should not be confirmed.

It has been strongly urged by some of the clerks who have given evidence before us, that all divisions into classes should be abolished, and that advancement (except in the case of Staff appointments) should be confined to periodical increments of salaries, depending upon the individual merit, or rather the absence of demerit of each clerk. They think that a clerk's advancement should not depend upon the vacancies in the class above him, but that those who are not unfitted for advancement should proceed without any stoppage to the maximum allowed for the general body of clerks. The reasons in favor of such a scheme are not without force. But, independently of the fact that such a scheme would be a costly one, we think that its application, in the unlimited manner advocated by certain clerks who have given evidence, would neither conduce to the efficiency of the Service, nor be beneficial to the best interests of the men employed. Periodical increments to men employed from year to year upon the same work can only be justified on the ground of the increased value that their accumulated experience and increased efficiency afforded to the State. These increments are now given in most offices as a mere matter of course, and are never suspended unless on the grounds of culpable neglect of duty. We think, however, that increments should only be allowed upon a certificate from the immediate superior of each clerk, countersigned by the Head of the Department, to the effect that the conduct of the clerk has been, in all respects, satisfactory. Although certificates and reports upon the conduct of individuals are too often given as mere matters of form, there is a wide distinction between requiring a certificate before a man's increment is paid, and giving the increment as a matter of course, unless an unsatisfactory certificate is specially given. A Head of a Department may shrink from voluntarily coming forward and saying that a clerk ought not to have his increment, when, if he were bound to give a certificate under any circumstances, he would take care that he did not certify that the character of a man was in all respects satisfactory, unless such certificate were in accordance with the facts. We think, moreover, that instead of increments accruing annually, as is now commonly the case, they should accrue triennially, and that the giving or withholding of such increments, either in the whole or in part, should be determined by the Heads of the Department, after considering the reports of the clerk's conduct during the preceding three years. In cases of great demerit no part of the increment would, of course, be allowed.

But no system of advancement by periodical increment only, whatever the safeguards might be, could replace, with advantage, the system of promoting by selection. The stimulus to merit would be gone. There would be no possibility, except in the

case of staff appointments, of rewarding exceptional merit. Increments would inevitably be given, not on the ground of special fitness, but on the ground of absence of unfitness; and all the evils attending promotion by seniority would continue to exist in the Service. For these reasons we are only prepared to recommend what is known as a Service scale, within the limits mentioned above.

The grading which we have recommended, coupled with the rise of salary by triennial increments to £400, will have the effect of giving to every clerk who obtains an appointment in the higher division, and who conducts himself diligently and properly, the prospect of obtaining a fair competency, and will thus do away with the grounds for discontent now caused by the want of promotion. It will also, by giving to all a prospect of a competency, have the important effect of facilitating the further promotion by merit, which we now proceed to recommend.

It must be obvious that no possible scheme can or ought to secure to every man an equal chance of promotion. The number of prizes in each office must depend upon the work to be done, and nothing short of a system of promotion based upon seniority, not departmental but general, could secure to all clerks throughout the Service equal chance of advancement. Such a scheme is quite out of the question. Not to mention its extravagance, it involves the fatal principle of making promotion depend solely on seniority. To this we are strongly opposed. It materially impairs the discipline of a Department, and tends to encourage a state of indolence which is disastrous to the best interests of the Service. The experience of such establishments as the London and North-Western Railway, the Mersey Docks and Harbor Board, the London and Westminster Bank, the Railway Clearing House, Messrs. Glyn, Mills, and Co., and of many private firms of Solicitors, as will be seen from the evidence or information given in the Appendix, is very striking upon this point. Promotion on the ground of merit alone is regarded in all these establishments as an essential element of successful administration.

We think that in the Public Service, also, promotion should depend solely upon merit. The public officers are now divided into classes, and promotion consists in the removal from an inferior to a superior class as vacancies arise in the latter. It is the practice in several public offices to take the list of clerks in order of seniority, and to promote the first man who is stated to be not unfit for promotion. Although this plan is, undoubtedly, an improvement upon promotion by mere seniority, it is nevertheless, in my opinion, open to serious objection. Promotion should be a stimulus to merit. A man should be promoted, not because those above him are unfit, but because he is the best man for the place. If this course be pursued, no man is branded as unfit, and it would not at all follow that the senior man, passed over for one promotion, might not be the fittest man for the next. It is urged, however, by many that promotion by merit would in many cases degenerate into promotion by favoritism. No doubt this is possible, if Heads of Departments, setting aside justice, are so foolish as to prefer comparative inefficiency to the best service and assistance they can get. But the alternative lies between seniority and selection, and we have no hesitation, both in the interests of the Public Service and of the public servants themselves, in strongly recommending that the latter system should be followed. The greatest possible publicity should be given to all promotions, and the partiality of individual judgment should be guarded against by the Heads of Departments calling into council the officers responsible for the work of the clerks from among whom promotion is to be made.

The numbers in the present classes have been arranged, not only with the view of attaching higher pay to higher work, but for the purpose of creating a general system of promotion. The latter object we have already provided for by our Service scale, and we think that any further pay or promotion should depend entirely on the amount and character of the superior work which has to be done, and should only be given for the actual performance of this work. In allotting these prizes the best qualified man should be selected without regard to any other consideration.

We therefore recommend that, according to the present practice of the Bank of England and various private banks and commercial establishments, special extra

rates of payment, to be called duty-pay, should be attached to superior duties and work of a special character. This duty-pay should be given in annual payments of various amounts, say £50, £100, and £200. The amount of these duty payments would be the same in different offices, but their number would vary according to the work of each.

The result of the whole scheme will be that whilst by the Service scale each clerk is certain, with moderate ability and good conduct, to rise by successive increments to a fixed maximum of £400, there will also, when the work requires it, be a collateral scale of duty payments to be awarded, without regard to seniority, to the most competent, by which he may rise to £600, and beyond this there will be the staff appointments, open to all clerks who are competent to fill them.

The Service scale will thus preserve a certain uniform minimum of pay throughout the higher division of the Service, at the same time that the duty-pay and staff appointments will afford the means, not only of rewarding merit, but of distinguishing between different officers. In offices, such as the Treasury, where the class of duties is high, the proportion of persons receiving duty-pay will be large; in the accounting offices it will be small. Thus, apart from other inducements, the large number of duty payments, coupled with the prospect of more numerous staff appointments, will give the most important offices the means of attracting the highest abilities.

We do not, it will be observed, propose to give a large salary to newly-appointed clerks, even in the higher offices; for we are of opinion that the salary should be low in the earlier years of the Service, and should rise more rapidly as a clerk gets older, when his responsibilities in life increase and the value of his experience becomes greater to the State. The example of the open professions, and the practice of private firms and establishments, strongly confirm the view that good service will be better secured by good prospects in later life than by a high initial salary.

It would be very desirable that an office like the Treasury, which affords large prospects of promotion, and which exercises control over other Departments, should from time to time offer its junior clerkships as rewards to the best of the junior clerks in those Departments, not only because experience would thus be gained by the Treasury, but also because it would be a stimulus to exertion in other Departments. Indeed, we think it would be desirable that a limited number of such transfers should be made from the junior ranks of the less important offices to all other offices in which the importance of the work is such as to justify a large proportion of duty-pay and staff appointments. The plan suggested would tend to equalize promotion throughout the Service, and prevent the narrow restrictions of Public Service to special Departments with their necessarily varying prospects. But it would be necessary to limit such transfers to persons who have entered the Service by the higher examination, and whose merit is proved by departmental reports.

Promotion from the lower to the higher division of the Service should be a matter of rare occurrence. This is necessary, if there is to be any educational test for the higher division; and it is reasonable, not only because the original qualifications are lower, but also because the character of the work in the inferior grades will be rarely calculated to develop superior capacities. Such a promotion should not take place without a certificate from the Civil Service Commissioners, granted upon a special recommendation of the Head of the Department, and with the assent of the Treasury, and should be published in the *Gazette*. The lower division should, however, have some extension of time allowed to them beyond that fixed for the outside public, during which they may be eligible to compete for admission to the list of candidates for the higher division. Such a privilege should only be extended to those whose conduct has been perfectly satisfactory in every respect to the Heads of the Departments in which they had been serving.

We have taken evidence regarding the employment of female clerks. The experience of the Post Office, as will be seen by the evidence, shows that women are well qualified for clerical work of a less important character, and are satisfied with a lower rate of pay than is expected by men similarly employed. We, therefore, see no reason

why the employment of female clerks should not be extended to other Departments where the circumstances will admit of it.

In the telegraph office, male and female clerks are employed in the same rooms without inconvenience. But, as regards the ordinary clerical work of an office, we are not prepared to recommend the employment of women unless they can be placed in separate rooms, under proper female supervision.

In the rates of pay which we have recommended we have had in view the London Offices. Where circumstances are similar to those of London, and where the examinations are the same, the rates of service and of duty pay should be similar also. But it is impossible for us to enter into the various circumstances of provincial offices.

III. *The principles upon which men should be transferred from Office to Office, especially in cases where one establishment has been abolished or reduced in numbers, and where there are, consequently, redundant employes, whose services should, if possible, be made available in other Departments.*

With the Service graded as we have suggested, transfers of clerks between Departments would be greatly facilitated, and if the system were in full operation there would probably be no great difficulty in providing for all cases of abolition of offices or reduction of establishments. As the Service at present exists, however, transfers are beset by innumerable difficulties. The man who is transferred to a new office thinks he should retain not only the rate of pay he had in his old office, but also his chances of promotion. The men in the office to which he is transferred consider that they are wronged if he is so placed as to interfere in any way with their chances of promotion.

Nor is there likely to be any advantage to the State by the transfer of men who will become redundant while our proposals are being carried out. In almost all offices there is room for a large number of the lower division, necessitating a considerable reduction in the numbers of the present establishments. For some time to come, therefore, the work upon which redundants, if transferred, would be employed, would be work which properly belongs to the lower division. And it would often be cheaper to pension off redundant clerks, appointing new clerks in the lower division in the office in which vacancies exist, than to transfer the redundants from one office to another with their old rates of salary and something like their old chances of promotion.

As regards the transfer of men generally from office to office, and from one branch to another within the same office, we think that in the lower division of the Service, where the work and pay will be uniform throughout the different offices, transfers can be easily made; and we have already suggested that every clerk appointed to this division should hold himself ready to serve at any time in any office. Even in the higher division such transfers in the earlier years of service are very desirable, both in the interest of the Public Service and of the clerks themselves. Clerks would thus obtain a more varied and extensive knowledge of official work than they in general possess at present. And we have above recommended that offices with larger prizes should, when possible, be recruited from those with inferior inducements. But transfers must be made judiciously, and must not be carried too far. There is a great deal of work in public offices special in its character, and requiring much study and care to master, the performance of which would, therefore, be seriously embarrassed by frequent transfers.

IV. *The system under which it is desirable to employ Writers or other persons for the discharge of duties of less importance than those usually assigned to established Clerks or duties of a purely temporary character.*

Temporary service, in some form or other, has always from necessity had a place in public offices. In times of pressure clerical assistance had to be procured, and this was provided either by the direct appointment of temporary Clerks, or by hiring

from a law stationer such men as were from time to time required. But besides employing such persons on duties of a purely temporary character, they were also made use of, more particularly within the last few years, in many offices as a cheap description of labor for the discharge of permanent duties of less importance than those usually assigned to established clerks.

Many of the old temporary clerks were employed continuously for years in the same Departments, and not a few of them were appointed as vacancies arose to permanent clerkships. In fact it was the practice in some Departments to recruit the establishments almost wholly from the temporary clerks.

The employment of men from a law stationer, although it had the merit of excluding absolutely all claims of the writer upon the State, was open to the objection that of the shilling paid for each hour of a man's service the man seldom get more than eightpence. The State thus presumably procured less service than its wages, if directly paid, would have commanded. This objection, no doubt, weighed with Heads of Departments, and direct forms of hiring were in many cases adopted instead.

In some Departments this service was organized upon terms which implied a certain permanence, viz., progressive wages, and gratuity on dismissal proportioned to length of service. The distinction, however, between this service and established service was expressed in the forms of engagement beyond the possibility of doubt, and persons so engaged were from time to time discharged as the necessity for their employment ceased.

The Treasury, by Minute of 8th December, 1869, directed the attention of Departments to the expediency of effecting a substantial reduction in the number of permanent clerks, with the view of checking the heavy and growing charge for superannuation; and shortly after, by Order in Council of 4th June, 1870, it was prescribed that no person was to be employed, even in a temporary capacity in the Civil Service without a certificate of qualification from the Civil Service Commissioners.

It thus became necessary for the Treasury to settle what the temporary service of the future should be, and in order to stamp upon it inoffensively its temporary character they decided that for writers' services there should be—1, no competition; 2, no progressive wages; 3, no maximum age for admission; 4, no holidays or sick leave; 5, no compulsory qualification beyond handwriting and the power to copy; and on these lines the Order in Council of 19th August, 1871, was passed with the regulations thereto appended.

These regulations, however, were not limited to the future. They applied, also to all the writers at that time in the Service, and they seriously conflicted with the conditions under which the writers in many Departments had been engaged, and were then serving. Accordingly, the third clause of the Order was subsequently modified by the Treasury Minute of the 27th June, 1872, and by the Order in Council of the 9th August, 1872, by which compensation was allowed to those writers who had been serving on other terms, and the date of introducing the new conditions of service was postponed for more than a year in their favor. Subsequently further modifications were made to the writers' advantage, in respect of allowance for holidays, sick leave, &c.

The regulations affecting temporary clerks or writers were examined in the Reports of two Select Committees of the House of Commons appointed in 1873. These Committees recommended certain alterations in the regulations, to some of which the Treasury have given effect.

The old writers and extra or temporary clerks, that is, those serving before the 4th June, 1870, who could plead something in the way of expectations, either held out to them in express terms, or created and encouraged by the receipt of progressive wages, stand on a very different footing from the rest of the writers. The sort of indirect claim which they have has been recognized by the appointment of many of them to the permanent establishments of the offices in which they were serving, and by compensation being paid to those whose employment on the old terms of service

was discontinued. A few of these old writers, however, still remain, and we recommend that the thoroughly qualified of them shall be appointed to the new lower division of the Service at their existing salaries, and that the remainder should be compensated and discharged.

As regards the rest of the writers now in the Service, including (a) those temporarily employed at fixed wages prior to 4th June, 1870; (b) those who before that date were hired through a law stationer; and (c) those appointed subsequently to 4th June, 1870, as Civil Service writers, no question whatever as to breach of contract, either direct or indirect, can be sustained.

Much evidence was offered by Mr. Brant, the representative of the Writers, with the view of showing that writers have been misled by the terms of the regulations; but we do not think that the regulations are fairly open to the interpretation the writers would appear to have attached to them, nor can we admit that on this ground the writers have any claim against the State. The question to be considered is one of terms of service only, or, in other words, how the State can best provide for the efficient and economical discharge of work of a simple character, whether temporary or otherwise, consisting of (a) mere copying, and (b) routine work conducted under direct provision.

All the copying which can be done by means of copying-presses should be so done. But there must of necessity in every office be some copying which can only be done by hand. So far as mere straightforward copying by hand is concerned, the employment of writers, whose title should however be altered to that of copyists, might be continued. Men and boy copyists should be employed on the same conditions of service as those at present in force for men and boy Civil Service writers, but the age of men copyists for admission to the register of the Civil Service Commissioners should not exceed thirty. Copying should, as far as possible, be paid for as piece work, which affords a direct inducement to the copyists to copy fast and well, and enables him to add to his earnings with a positive economy to the State. On this point we would direct attention to the remarkable results obtained by the adoption of this plan at the Board of Trade, as described in the evidence. The exigencies of the Service will not, however, admit of a body of Copyists being paid wholly by piece work. Occasions will arise when they must be paid by time, and we think that a rate of 10d. an hour, or in some cases 1s. an hour, would be sufficient remuneration under such circumstances. According to the statement made by the writers themselves, scarcely five per cent. of their number are employed on mere copying. If this be so, the number of copyists is not likely to exceed 100 for the whole Service.

The nature of the work other than mere copying on which writers are now employed in different offices varies very much. No doubt they frequently do the same sort of work as the established clerks with whom they sit, and who receive, perhaps, more than double their pay. But, as writers have been largely employed in substitution for established clerks, the conclusion to be drawn from the similarity of the duties performed is, not that the writer is doing work of a high class, but that, the clerk is doing work of a low class.

For this class of work we have recommended the introduction of a subordinate division of permanent clerks. There is much to be said against making such a class permanent, and giving them the benefit of superannuation; and in Mr. Childers' evidence he points out strongly the reasons against giving this class the benefits of security of tenure and pension. He says that if men have no claim to superannuation it is more easy to get rid of them when their services are no longer required, and that a large pension list would be apt to create dangers in Parliament for the Public Service, from which the Service itself would suffer. But, on the other hand, provided the work in itself is permanent, security of tenure, which is certainly an object from the employe's point of view, may be given, not only without any additional cost to the State, but actually with a reduction of cost. It is true that there would be the additional cost of superannuation, but superannuation is a means of procuring cheaper service, and in all employment of labor security of tenure has a positive money value as an element of reduction in the settlement of wages. More-

over, the practical inconvenience of having men employed continuously in carrying out the administration of one office, some of whom are entitled to superannuation, and others are not, is very great. The "temporary" system of employment for permanent work had not been long enough in operation for the question of superannuation to arise. But, it would, no doubt, have been raised sooner or later, not only by the temporary writers themselves as a reward for their long and continuous services, but also by Heads of Departments seeking to get rid of men who from age had become incapacitated for further work. And we do not think that the Government could have resisted the claim to pension which long and faithful service in this capacity would have given. Under these circumstances, we are of opinion that it is advisable that superannuation should at once be regarded as a part of the terms of service of the proposed lower division, and that the rates of pay should be fixed accordingly. The rates which we have recommended are accordingly based on the supposition that superannuation at the rates laid down by the Statute and the Treasury Regulations in this respect will be allowed to the clerks in this division.

There is often in some offices, at certain seasons and on certain occasions, a temporary pressure of work; whilst in many growing offices with new business there is a very proper tendency to provide for the pressure by temporary assistance, and not to create new permanent clerkships until the necessity for them is well established. We think that the successful candidates on the Civil Service Commissioners' list for whom no vacancies have for the time being been found may well be employed to meet those occasional temporary demands.

As regards existing Civil Service writers some, no doubt, will be retained as copyists. We have already pointed out that they have no claim whatever to continued employment, still less to appointments under any new organization of the Service. As they entered with a lower examination and at rates of pay inferior to those recommended by us for the lower division of permanent clerks, we do not think that the general body of them would be suitable for that division. Still, in the interests of the Public Service, it may be desirable to appoint the most efficient of them if they prove their fitness by a supplementary examination, and if their age did not exceed thirty years at the time of their being placed upon the register. And, of course, no such writer should be appointed to this division unless he can produce a certificate from the Head of the Department in which he is serving, to the effect that it is desirable in the interests of the Public Service to retain and employ him in the Department.

We have taken some evidence on the employment as writers of non-commissioned officers in the army,—a plan which seems to have answered well in the Science and Art Department. But, whilst it may possibly be advisable to extend the employment of such men in the War Office and its subordinate departments under military officers, we doubt whether the antecedents of a soldier's life are such as to make the source of supply one that could be depended on for the Service generally, and we do not see how any plan for the partial employment of such clerks is to be made consistent with a scheme for recruiting the lower division of the Service by examination.

From evidence which we have taken it will be seen that in certain manufacturing departments under the War Office and Admiralty men employed as writers are paid less and have longer hours of daily attendance than ordinary writers in the Civil Service. It is to be observed that some of them were formerly artizans, and have accepted their appointment to clerical duties on the present terms as promotion. This would seem to indicate that the work required of them is such as can be obtained on comparatively low terms. It is, however, beyond our functions to inquire whether this is really the case. And we will only observe that, in recommending a general scheme for the Civil Service, it is not our wish to interfere with any plan which these particular departments may have found convenient and economical for the performance of their particular work.

General Observations.

Having thus attempted to answer the questions put to us, we desire to offer the following additional observations:—

The assimilation of the rates of pay in the Service would almost of a necessity lead to uniformity in hours of attendance, in holidays, and in sick leave. We think it would be well that uniformity in such matters should exist. But these matters, not having been specially referred to us, have only incidentally come under our notice. As regards the hours of daily attendance, it may be well to point out that the scale of salary we propose for the lower division of clerks is based upon salaries paid in private establishments, in which the hours are in no case less than seven each day, and generally more.

The subject of superannuation has not been directly referred to us, but has been forced on our attention. It has been urged that it would be economical for the State to give an option of retirement with superannuation allowance after twenty years' service. Various witnesses support the proposal chiefly on the ground that it might quicken promotion. No doubt there is considerable force in this view if the present division into classes continues. But it has little weight if a service scale such as we have proposed was adopted. In that case the question will be simply whether a man with twenty years of service has an equitable right to a pension of twenty-sixtieths of his existing salary, just as a man at the age of sixty has to ten-sixtieths, according to the number of years of his service. We do not see any abstract justice in the proposal. The increments upon the original salary have only the justification of the increased value of the State acquired by the official experience of the clerk. But if he leaves the Public Service in the prime of life with a pension calculated upon this augmented salary, the State will derive little or no advantage for the increments which represent maturity in work. On this ground we have not deemed it right to support the proposal. Another consideration has also weighed with us. If it were fair that a clerk should have an option of resigning after twenty years' service, with superannuation, on the ground that the Service did not suit him, it would be necessary, in justice, for the State to exercise the power, which it now possesses in theory, but rarely exercises, of dismissing a clerk after twenty years when he did not suit the Service. But this would place the clerks in a worse position than they are at present, for they are now entitled after a service of twenty years to count ten years in addition to their service when they are compelled to retire on abolition of office. There is a further consideration, viz., that the adoption of this principle would have the effect of weakening the tie which now binds a man to the Service, and of inducing him to look outside that Service for his prospects of advancement. On the whole, therefore, we do not see any advantage, either to the State or to the clerks, in the proposal made to us.

It is very important that the general regulations affecting the Civil Service should be laid down in the most formal and permanent manner possible, and this would best be effected by embodying them in an Act of Parliament. All appointments, promotions and transfers should be published in the *London Gazette*.

Many witnesses have suggested that there should be a Board of Control or Appeal, which should finally decide on all questions of promotion and transfer from one Department to another. We are unable to recommend the creation of such a body. Such matters vitally affect the administration of public departments, for which the Government is responsible to Parliament; and, as pointed out in Mr. Lowe's evidence, it is scarcely conceivable that any Government should delegate its powers in this respect to persons who are not Cabinet Ministers.

We have thought it our duty to invite and receive all representations which the Service itself might think desirable to make to us on the questions indicated in the Chancellor of the Exchequer's letter. Although we distinctly informed the witnesses who proffered their evidence that we were limited in our inquiries to the general organization of the Civil Service, and I could only listen to particular cases as illustrations of general defects, it was natural that departmental and even personal grievances

should be forced on our attention. All that we can do in relation to these is to see how far they bear upon questions of general organization. It would have been impossible for us, and was not within the scope of our instructions, to examine into the truth of the representations thus made to us, and into the proper mode of meeting the various complaints. This could only be done by means of a special inquiry into the circumstances of each Department. In some cases it will be found that the complaints thus made are met by counter-evidence of a trustworthy character, showing that the gentlemen who have made the representations in question have been misled by a natural and, to a certain point, praiseworthy over-estimate of the comparative value of their work. And if, in other cases, similar complaints have not been met by counter-evidence, it must not be assumed that, were the opportunity given, no such evidence would be forthcoming.

As regards other evidence, we have been able to avail ourselves of the Reports of the present Chancellor of the Exchequer and Sir C. E. Trevelyan, and the accompanying papers which were laid before Parliament in 1855; and also the Reports of the Committee of the House of Commons, presided over by Mr. Childers and Mr. Otway in 1873, and the evidence laid before them.* We have also, as will be seen from the evidence annexed to our Report, obtained the opinions of Mr. Childers and Mr. Lowe, and of many experienced departmental officers; and have had the further advantage of discussing with such officers the questions under consideration. We have also obtained from various sources outside the Service information concerning the terms on which clerks are engaged and employed by large companies and private firms.

The above evidence and information, coupled with the experience which our own members possess of the working of the different Departments with which they are or have been connected, will, we think, show that we have not come to conclusions on this difficult subject without taking sufficient means to make ourselves acquainted with the facts and with the opinions of the most competent persons.

We have tested the effect of our recommendations by endeavoring to see how they would apply to offices of various kinds with respect to which we have accurate knowledge. We believe the result to be that, if the reorganization of these offices could at once be completely effected, they might obtain the advantages of the Service scale and duty pay which we have recommended without additional cost to the public.

We have not, however, attempted to apply in detail the principles recommended by us to each separate Department. To do so will require much time and attention, and will throw considerable labor and responsibility on the Treasury. We are of opinion that the position of that Department in relation to other Departments should be made as strong as possible; that it ought to have the means of making itself accurately acquainted with the wants and conditions of the other Departments; and that it should thus, whilst acquiring their confidence, be able to exercise an efficient and intelligent control. These objects might, we believe, be attended if the Treasury were from time to time, in revising the several offices, to summon to its aid a small Committee or Council composed of Heads of Departments, who would thus bring the experience of one office to bear on another, and assist in introducing such an amount of uniformity as is practicable and desirable.

We desire, however, again urgently to represent that, should Government approve of our principles of reconstruction, it will be absolutely necessary greatly to curtail the numbers of superior clerks by a large substitution of clerks of the lower division. If this be not done, the increased expenditure to the State of the plan, we propose, would be too great to justify its adoption. But if it be carried out with vigor and judgment, we believe that there would be little or no increased cost to the State, which would gain largely in the increased efficiency of the Service, and in the removal of those chronic causes of discontent which are continually productive of large

* Papers relating to the Reorganization of the Civil Service, 1855. Reports of Committee of Inquiry into Public Offices from 1848 to 1860. Third Report from the Select Committee on Civil Service Expenditure, 1873. Report from the Select Committee on Civil Service Writers, 1873.

augmentations in the public expenditure, and of diminished productiveness in the labors rendered.

Of course, we do not conceal from ourselves the fact that, in the first instance, unless a considerable sum be spent in inducing retirements by superannuation and commutations, the reorganization of the Civil Service would be very slow. It will be for the consideration of Government and of Parliament, whether the ultimate advantages which will follow the changes proposed by us are sufficient to justify the requisite expenditure.

LYON PLAYFAIR,
W. H. STEPHENSON,
F. R. SANDFORD,
C. W. FREMANTLE,
T. H. FARRER,
T. WALROND,
HERBERT JOYCE.

R. G. C. HAMILTON, Secretary.

11 DOWNING STREET, 27th January, 1875.

MY DEAR MR. PLAYFAIR,—I have read the able First Report of the Civil Service Inquiry Commission with great interest; but before coming to any positive conclusions with regard to it, I should wish to see the evidence upon which it is founded, and to test very carefully the applicability of the recommendations to the Civil Service as it actually exists. The proposals you make are important: they involve a sweeping and, in some respects, a reactionary (or seemingly reactionary) change; they affect a large number of individual interests, they will be jealously criticised, and if through any inadvertence they should fail in their application, they may produce serious evil. Precipitate action has, I think, already done harm in this matter: and, though I do not advocate delay, I am most anxious that what is now to be done should be done with deliberation, so that it may be as far as possible final in its character.

The Civil Service has been undergoing a great transformation of late years; indeed, it may be said to have been in the crucible for the last twenty; and it is becoming important, on the grounds both of efficiency and economy, that it should be cast into a permanent mould, and that it should enjoy a period of repose, so far as constitutional changes are concerned.

Mistakes have, no doubt, been made in the course of the various changes since 1853; some, perhaps, as the result of errors or defects in the measures originally recommended by Sir Charles Trevelyan and myself; others, as I venture to think, from an imperfect appreciation of our recommendations, or from difficulties which prevented their being thoroughly acted upon. But, upon the whole, I think very great progress has been made in administrative reform; that ground has been won which will not be lost; and that we have reached a point at which, profiting by the experience both of success and failures, we may hope to establish a really satisfactory system.

I observe with pleasure that the present Report adopts the two cardinal principles on which we of old insisted, viz., proper division of official work, and a proper system of selecting Civil servants, as the basis of a sound Service.

All the reforms of late years have been directed to secure one or other of these objects, and we have had the advantage of seeing many experiments tried with more or less skill or success. The new proposals are intended to correct the failures which have attended those experiments, but not to reverse or set aside the principles on which they have been made.

The salient points in the new scheme appear to me to be—

1. The introduction of the system of Service pay and duty pay.

2. The great reduction of the Civil Service writer class, and the reorganization of the Service in such a manner as to assign the bulk of the work now done by writers to established clerks.

3. The substitution of selection from a list of successful candidates for the present system of competition.

4. The proposals with regard to promotion by merit, to transfers from office to office, and to staff appointments.

(1.) Service pay and duty pay.

So far as I am competent to form an opinion, I think this distinction a good one. The chief difficulty to my mind is that of adapting it to offices organized on the old class system. The difficulty is recognized by the Commission, but I do not think we shall be able to estimate it fully without actually trying the scheme, and, as it were, working it out with reference to a certain number of offices.

Personal expectations will have to be satisfied on the one hand; and economy must, on the other hand, be kept in view. Probably it will be found impossible to bring the whole scheme into operation at once, while to introduce it piecemeal will greatly detract from its advantages.

As an illustration of the difficulties, I select one instance quoted in the Report itself. It is said that among the offices now placed under Regulation II are some appointments in the Burial Grounds Office with salaries rising from £80 to £100, and no further. But the Service scale for the proposed lower division of clerks is to go up to £200. How are these Burial Grounds officers, then, to be dealt with?

Are we to give a man who is now content with a maximum of £100 double his promised salary? or are we to throw the work into the hands of boy clerks? or are we to effect savings by a reduction of numbers which will make up for the increase of pay?

Again, take the case of men like the officers in the Inland Revenue Department, rising from £90 to £150, with the prospect of £650, and the possibility of rising to £1,200.

I suppose we may discard the last-mentioned possibility, as the £1,200 a year appointment would be in the nature of a staff appointment, and the possibility would remain.

But is the whole difference between £200 and £650 to be treated as duty pay? and if so, shall we not run the risk of establishing scales of duty pay which will be seriously inconvenient hereafter? I do not say that those difficulties are insuperable, but they strike me as grave, and I should be reluctant (as at present advised) to commit myself to the system without seeing how it can be practically worked out.

(2.) I agree with the substitution of established clerks of a lower division for Civil Service writers; but here, again, I see the difficulty in effecting change with a due regard to economy.

The mere replacement of writers by clerks of the proposed second division will cause a considerable increase in expenditure, unless it be accompanied by a reduction in the number of first division clerks. Such reductions would be difficult. They would not only involve the necessity of adding largely to the pension list, but would very often be resisted by the Heads of Departments, who would be apt to maintain that they could not spare their superior men.

Their objection to do so would probably not be weakened by the introduction of the change in the system of making appointments to the first division, which would give them the power of selecting from a tolerably large number of men, instead of being obliged to take a total stranger.

With regard, therefore, to points 1 and 2, I would say that the success of the plan depends on the mode in which it is worked out; that that mode cannot be well ascertained *a priori*; and the only safe course appears to me to be that of instituting a detailed inquiry into the offices which will be affected by it before we decide upon taking any final steps. Such an inquiry might, I should think, be conducted without great labor, at least far enough to enable us to judge of the practicability of the scheme.

(3.) I pass on to the system of selection from a list of successful competitors in lieu of the present system of competition; and here, at least, so far as the second division is concerned, I see no difficulty, while I recognize several advantages over the existing plan. I have little doubt that the proposed scheme would attract a sufficient number of sufficiently able young men to supply the second division, and there would be quite as many of them who would win their way into the first division as is at all necessary to keep up the spirit of the Service.

I have some doubt whether the advantages to be offered in the first division will be sufficient to attract the class of men whom we want. If we simply require men of a liberal education to fill appointments which must be held by "gentlemen," we shall no doubt get them; but I doubt whether, if the whole scheme of the Report is adopted, we shall tempt into the Service those able young men of whom we now can show specimens, who have stuff enough in them to make good their position in any open profession, but who have a taste for the Public Service, serve their apprenticeship to it, and ultimately rise to the highest posts in it.

(4.) I am rather alarmed at the suggestion that such places as chief clerkships and principal clerkships should be treated as appointments for filling which "recourse may, if necessary, be had to the outer world."

It may be true that the heads of offices would not be very likely to appoint bad men to fill important posts, but there would often be a strong temptation to confer them on good men with political or social claims in preference to men with merely official claims. At all events, I cannot help thinking that the risk of this might be sufficient to excite apprehensions which, even though unfounded, might keep many men from embarking in the official career.

Transfers, again, might be easily so worked as to discourage, instead of encouraging, official merit. Interest, of course, would be of no use to a man unless he had merit enough in the first instance to get himself a place on the original list. This, however, according to the favourite hypothesis of the opponents of competitive examinations, would be no test of his real fitness for official work, and might be nothing but the result of detestable cramming. The advantage of being on the list would be great; the disadvantages of the lists being a long one would be, or would appear, small; consequently there would be a pressure to reduce the standard; and men of very moderate abilities might ultimately find their way to the privileged circle.

Once there, the man with good interest would have great advantages, both for getting himself appointed to an office in the first instance, and for getting himself transferred to a better office afterwards. If this should have the effect of deterring superior men from entering the Service, it will lead to the filling of more staff appointments from the outside, and this again will react upon the Service itself.

I express these doubts with the consciousness that the points in question must have occurred to the Commissioners, and that they have, in fact, made some suggestions which, at least in part, would meet them.

Other suggestions might also be made, and some such have occurred to me. I think it well, however, to call your attention to them, as I am very anxious that the question should receive the fullest consideration. Again thanking you for the pains which you and your colleagues have bestowed on the inquiry,

I remain, &c.,

STAFFORD H. NORTHCOTE.

The Right Honorable
LYON PLAYFAIR, M.P.,
&c., &c., &c.

CIVIL SERVICE COMMISSION,
CANNON ROW, 2nd February, 1875.

MY DEAR CHANCELLOR OF THE EXCHEQUER,—I have the honor to acknowledge the receipt of your letter of the 27th ultimo. I have laid it before my colleagues, and beg, with their concurrence, to offer the following explanations on the subjects to which you refer.

Before proceeding to observe specifically on the four points in our Report to which you have called our attention, I think it well to make the following general remarks:—

In the first place, whilst agreeing generally in your indication of the salient points in our scheme, we think it right to observe that there is one further point to which we attach the greatest importance. This is the reduction of the present classes of superior clerks, and the reorganization of the Service in such a manner as to assign a large proportion of the work to our proposed lower division. We are satisfied that in many, if not most offices, there is too large a proportion of clerks, all presumed to be doing the same work, and to be entitled to promotion to the highest clerkships, whilst as a matter of fact many of them are, and must be, employed on routine work, and have little real prospect of promotion. We have, therefore, in our Report strongly insisted on a large reduction of the present superior classes as the best means of promoting efficiency and content as well as economy.

In the second place, we would observe that, when we recommend that Heads of Departments should exercise a considerable amount of freedom and responsibility, not only in selecting clerks in the first instance, but also in promoting them, and in making appointments to staff posts, as well as in transferring clerks from office to office, we have had in view the *Heads of Departments, whether political or permanent, who are directly responsible for their efficient management*. If such men, with the assistance of the principal officers of each Department, make these selections, there is little danger that the power will be otherwise than honestly and carefully exercised. It is to their interest in every case that the man most suitable for the post should be appointed to it.

In the third place, we wish to state that we entirely agree with you that the success of the scheme will depend very much upon the mode in which it is carried out. The division of official labor so as to apportion pay to work is, as you rightly observe, one of the cardinal principles of the scheme. In fact, the success of the scheme depends upon this apportionment being carried out with judgment, and with fairness as between one office and another. We are quite alive to the difficulties attending such an apportionment, and its application to the existing organization of the different offices, and we have recommended that, in making it, the Treasury should have the aid of a Committee or Council composed of Heads of Departments. Different men's views of work, and their language concerning it, vary so greatly, that anything like an uniform distribution of pay and work throughout the service could never be brought about, unless the work of one Department were weighed against the work of another, and some common measure were applied to all.

We quite agree that ample official criticism should be given to our Report, and it is of course for the Government to determine whether it is necessary to institute a detailed inquiry into each office before they decide upon adopting any of our recommendations. I think it well to suggest, however, that if the Government approve of the creation of a class of clerks of the lower division, all vacancies might, pending the reconstruction of individual offices, be filled up by the appointment of clerks of this division. If this were done, it would not be necessary, pending final reconstruction, to fill up vacancies arising in existing establishments with their various rates of pay and prospects of promotion. We have already stated our conviction that there are too many clerks having a nominal or presumptive right to rise to the higher classes, and a reduction of such clerkships as they fall in would in itself be a great advantage, and would facilitate the ultimate adoption of the new scheme. Of course cases might arise, more particularly in the smaller offices, in which a clerk of

a higher description than that provided by the lower division might be required. These, however, would be exceptional, and might be provided for during the transition period by transfer from some other office.

I proceed now to observe *seriatim* upon the four points of your letter.

1. *Service Pay and Duty Pay.*

The difficulty which you point out of lapsing this proposal to offices organized on the old system is one which we fully recognize, and I have already pointed out the way in which we think it should be met. It will here only be necessary to refer to the two illustrations given by you.

(a.) The case of the clerk in the office of Burial Grounds was mentioned in the Report as a striking instance of the inequality in value of appointments competed for at the same examination. There are very few offices recruited under Regulation 11. in which the attainable maximum falls short of £200 a year, the maximum proposed for the lower division, and it is obviously not desirable that such offices should continue to exist as separate establishments where they can be amalgamated with some larger offices. As far as offices in London and places similarly circumstanced are concerned, we think that work which requires the regular and continual employment of a man clerk is not too highly paid for by the scale which we propose. We distinctly, however, confined our recommendations in this respect to London offices, and to offices in a similar position to those in London, as it was impossible for us to enter into the various circumstances of provincial offices.

(b.) With regard to the case of the Inland Revenue Department, it is not our intention that the whole difference between £200, the maximum we propose for the service scale of the lower division, and £650, the present maximum of the highest class of clerks in that office, should be treated as duty pay. On the contrary, we recommend that the duty pay for the lower division should not exceed £100. But, as regards the Inland Revenue and offices of a like character, our view is that, although a large proportion of the number of clerks would belong to this lower division, there should also be a limited number of clerks in the higher division having the maximum of a service scale of £400, with augmentations for duty pay which might make it £600, all places with emoluments beyond this amount being regarded as staff posts.

2. *The great reduction of the Civil Service Writer Class and the reorganization of the Service in such a manner as to assign the bulk of the work now done by Writers to Established Clerks.*

You observe that "the mere replacement of writers by clerks of the proposed second division will cause a considerable increase in expenditure, unless it be accompanied by a reduction in the present number of first division clerks." Upon this point it may be remarked that we anticipate that the clerks of the lower division will, man for man, do not only much better, but much more work than the present writers. Moreover, it would be impossible to maintain the present system of writers, as they are at present employed, at the present rate of pay. But a large reduction of the existing higher classes is, as above observed, an essential feature of our scheme, and it is by the replacement of those clerks by clerks of the lower division that a saving would be effected.

We are fully alive to the difficulties attending these reductions, and we are aware that such reductions must add largely at first to the pension list. In some cases it would be found that the pay of a clerk selected for reduction would exceed the amount of his pension, together with the pay of the clerk in the lower division by whom he would be replaced. In such cases there would be a saving, but undoubtedly, on the whole, the cost to the State during the period of transition would be greater than it is at present.

As we have said in the Report, it is for the Government to determine whether the ultimate advantages consequent upon the changes proposed by us will justify the

temporary increase of cost. Not only are we satisfied from the evidence we have taken, and from our own experience, that, in the interests of efficiency, a large reduction is necessary in the number of clerks whose pay is greater than their work justifies, but we see no possibility of reconstructing the Service so as to apportion pay to work unless such a reduction is made. It will have, moreover, to be carried out with judgment and with vigor. The terms should be liberal, but they should be obligatory. The best men would, of course, be retained, and the scale which we propose, supplemented by staff posts, will afford ample opportunity of rewarding them.

3. *The substitution of Selection from a list of successful candidates for the present system of Competition.*

We have already pointed out that it is an essential feature of our scheme that the selection we propose should be made only by the Heads of Departments, in concert with their principal officers, who are interested in and responsible for the working of the Departments. We think this of the utmost importance, and have no fear, with this precaution, of improper selection. It must be remembered that the requirements of the different offices are very different, and that whilst some posts require the very able men of whom you speak, for others, perhaps for the bulk of the Service, a fair amount of ability, combined with industry, good education, and good character, are sufficient qualifications. Our scheme is so framed as to meet both requirements. The latter qualifications will be a *sine quâ non* for the whole of the higher division whilst, as regards the posts requiring superior ability, the examinations in extra subjects which we have proposed, coupled with the personal inquiry which will accompany personal selection, will afford ample means of testing that ability, and the duty pay, with the prospect of staff appointments, will afford ample means of attracting it.

As regards the pressure which might, under this plan, be brought to bear to reduce the standard, I have to point out that we foresaw the inconvenience of allowing any considerable body of qualified persons to be pressing upon the Government for public employment. We therefore suggested that the list of eligible candidates at any time should not exceed the average number that would be absorbed in six months. If this limit be observed, the tendency will probably be, not to reduce the standard of examination, but to raise it; because the number in the higher division being comparatively small, there is every prospect that the competition will be keen.

Your observation that the terms offered for the higher division may not be such as will attract men equal to the best men which the Service now obtains, would have much force if it were intended that all or many of the appointments over £600 a year, that is the staff posts, should be given to persons outside the Service. But this is not our meaning. We think that recourse should be had to men outside the Service only in the event of there being no one in it thoroughly fitted for the post. But we consider that the efficiency of the Service, as is stated more fully in reply to the fourth point *infra*, requires that this power which the Government now possesses, but rarely exercises, should be continued, and should be applied to the increased number of staff offices which will exist if our scheme is adopted. Putting these staff offices aside, the terms we suggest are higher than those now offered generally throughout the Service. And as regards the Treasury and other important offices, the elastic plan of duty pay, coupled with the staff offices, will enable the remuneration of the clerks to be fixed even higher than it has been under the old system, should a comparison of their work with that of other Departments show that such higher rates are required.

It is further to be observed that the able men to whom you refer as now in the Service must have been appointed under the old system, and not under the very recent system of open competition. The plan which we propose will establish a far stricter test on entrance than ever existed under the old system. It seems to us, therefore, both that the inducements to able men to enter the Service will be greater than they have yet been, and that the standard of qualifications for entry into the Service will be higher.

4. *The proposals with regard to Promotion by Merit, to Transfers from Office to Office, and to Staff Appointments.*

Here again I will, in the first instance, repeat that in recommending selection by Heads of Departments for these purposes we had in view the Head of the Department who is directly responsible for its efficient management.

The main reason we had in view in recommending that all appointments beyond £600 a year should be treated as staff posts, was to prevent clerks claiming a vested right in such appointments. Experience shows that this claim is only too apt to acquire such force as to degrade promotion into a system of mere seniority. It is this, and not jobbery, which is the real evil of the Service, and it will be a most important step towards securing promotion by merit that these posts should not be regarded as posts to which the clerks have any vested right.

As regards transfers from one office to another there is no doubt that these might be so worked as to discourage, instead of to encourage, official merit. But it is to the interest of all Heads who are responsible for the management of their Departments that they should not have inefficient men transferred to them, and there would be no difficulty in surrounding this power with sufficient safeguards.

The power of transferring men from office to office at present exists, and our recommendations respecting transfers are made with the view not only of putting them on a better footing for the future, but also with the view of somewhat equalizing promotion throughout the Service by making the clerkships in the most important offices, so far as practicable, prizes for the best clerks in other offices in which, from the nature of the work, the well-paid appointments are fewer.

A proof of the evidence is enclosed.

I have, &c.,

LYON PLAYFAIR.

The Right Honorable
The Chancellor of the Exchequer,
&c., &c., &c.

APPENDIX J.

STATEMENT showing the Names of Employés of the Department of Militia and Defence whose services have been dispensed with under the provisions of the Superannuation Act, the Names of other Employés affected by such Superannuation, and other information connected therewith, from the date at which the Act came into operation, viz., 1st July, 1870, to 30th June, 1880.

Annual Resultant Cost subsequent to Superannuation.	Details of Annual Cost subsequent to Superannuation.		Date of Superannuation.	Names.	Annual previous Cost.		Paid during years.		Total	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.	Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
1,411 12	1,000 00	411 12	Nov. 1st, 1873	Starr, Wm. M.	1,000 00	1,000 00	411 12			2,740 80
5,440 00	3,200 00	2,240 00	Janv. 1st, 1875	Macdonald, D. A.	3,200 00	3,200 00		6 1/2		11,946 05 1/2
605 80	400 00	205 80	Aug. 1st, 1878	Futwoy, Geo.	500 00	500 00	105 80	1 1/2		202 73 1/2
1,089 82	700 00	389 82	July 1st, 1879	Panet, C. Eug., Lt.-Col.	1,350 00	1,350 00		1	250 18	250 18
				Robinson, Thos.						250 18
				Egan, Michael.						250 18
				Harol, W. F. Y.						250 18
				Fambrun, W. H.						250 18
										14,890 25

Net loss \$14,670 07
 Total amount contributed by the Department to the Superannuation Fund up to 30th June, 1880..... 7,862 87
 Total net loss..... \$6,767 20

C. EUG. PANET,
 Deputy Minister Militia and Defence.

DEPARTMENT OF MILITIA AND DEFENCE,
 OTTAWA, 21st February, 1881.

APPENDIX J—Concluded.

STATEMENT showing the Names of Employés of the Adjutant-General's Office whose services have been dispensed with under the provisions of the Superannuation Act; the Names of other Employés affected by such Superannuation, and other information connected therewith, from the date at which the Act came into operation, viz, 1st July, 1870, to 30th June, 1880.

Annual Resultant Cost subsequent to Superannuation.	Details of Annual Cost subsequent to Superannuation.		Date of Superannuation.	Names.	Annual previous Cost.		Annual		Total	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.	Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
605 80	400 00	205 80	1st Aug, 1878	Ryan, Michael	500 00	500 00				
				Robinson, Thomas						
								105 80		202 78
									111	

Total amount contributed by the Adjutant-General's Office to the Superannuation Fund up to 30th June, 1880. \$3,244 88

Deduct net Loss 202 78

Total net Gain \$3,042 10

ADJUTANT-GENERAL'S OFFICE,
OTTAWA, 9th February, 1881.

W. POWELL, Colonel,
Adjutant-General of Militia.

APPENDIX K.

STATEMENT showing the Names of Employés of the Department of the Interior whose services have been dispensed with under the provisions of the Superannuation Act, the Names of other Employés affected by such Superannuation, and other information connected therewith, from the date at which the Act came into operation, viz, 1st July, 1870, to 30th June, 1880.

Resultant Cost.	Details.		Date of Superannuation.	Names.	Previous Cost.		Annual.		Paid during Years.		Total.	
	Salaries.	Super-annuation Allowances.			Details.	Total.	Gain.	Loss.	Gain.	Loss.	Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
3,200 00	2,520 00		October 7, 1878.	E. A. Meredith.	\$ 200 00							
3,200 00				Col. J. S. Dennis	\$ 200 00							
2,600 00				Lindsay Russell.	2,600 00	9,000 00	680 00				1,200 00	

Total Gain \$1,150 00
 Superannuation Abatement 5,703 78
 Total Gain \$6,853 78

J. S. DENNIS,
 Deputy Minister of the Interior.

OTTAWA, 8th February, 1881.

APPENDIX I.

STATEMENT showing the Names of Employes of the Inland Revenue Department whose services have been dispensed with under the provisions of the Superannuation Act, the Names of other Employes affected by such Superannuation, and other information connected therewith, from the date at which the Act came into operation, (viz: 1st July, 1870) to 30th June, 1880.

Resultant Cost.	Details.		Date of Superannuation.	Names.	Previous Cost.		Annual.		Paid during years.	Total.	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.		Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.		\$ cts.	\$ cts.
2,273 92	1,600 00	673 92	March 1, 1871	M. Harbison	1,440 00	2,810 00	599 08		2½	1,115 10	
	800 00	636 96	May 1, 1871	A. Fraser	1,400 00						
1,936 96	500 00			H. H. Duffin	560 00	1,900 00		36 96	2½		338 80
				N. Stewart							
				G. De Blois							
7,974 36	2,600 00	1,674 36	May 1, 1871	T. Verklington	2,600 00	7,000 00		974 36	3½		8,931 63
	2,000 00			A. Brunel	2,100 00	900 00	701 28		8½	5,844 00	
	1,100 00			E. Mill, Jr.	1,000 00	750 00	466 50		1½	680 87	
	600 00			P. M. Robins	700 00	620 00					
				J. Mulligan							
198 72		198 72	March 1, 1872	John Wilson	900 00	900 00					
283 50		283 50	January 1, 1872	S. M. Bouchette	750 00	750 00					
		390 60	do 1, 1872	J. Cameron	620 00	620 00					
876 60	488 00	377 64	June 1, 1872	J. Edmund	725 00	620 00		256 60	3½		853 95
				J. Frendergast							
877 64	500 00	517 44	July 1, 1871	E. Matts	800 00	725 00		152 64	8½		1,233 81
				E. P. Byers							
1,317 44	800 00			R. F. Nellis		800 00		617 44	9		4,656 96

1,265 00	465 00	May 1, 1873.	John Brennan. Joh. Brenan. A. Fournier.	850 00	850 00	850 00	2,374 16
3,638 04	1,238 04	February 1, 1873.	A. Gough. J. O'Neil. J. S. Dyde.	2,020 00 800 00	2,840 00	2,840 00	5,622 13
93 00	93 00	July 1, 1873.	Wm. Withers.	500 00	500 00	407 00	537 54
826 43	126 48	Sept. 1, 1873.	T. White. J. J. Hall.	700 00	700 00	126 68	445 08
2,013 64	413 64	June 1, 1874.	B. Hayes. T. McNelly. F. Bussières.	1,000 00 800 00	1,800 00	213 64	3,746 75
200 52	200 52	April 1, 1874.	G. Foote.	800 00	800 00	599 48	7,239 17
2,890 00	1,190 00	June 1, 1874.	D. Brown.	1,800 00	1,800 00	1,190 00	2,548 64
1,299 76	449 76	Nov. 1, 1874.	G. Ellis. T. Crossoit.	859 00	850 00	449 76	554 58
170 64	170 64	Nov. 1, 1874.	J. Horn.	1,000 00	Fees.	170 64	862 69
847 76	347 76	Sept. 1, 1874.	F. Quinn. F. Poliquet.	1,000 00	1,000 00	152 24	47 68
3,114 44	564 44	Nov. 1, 1873.	A. N. Steiker. R. Borradié. J. E. Valin.	1,800 00 1,200 00 750 00	3,000 00	114 44	2,950 00
292 00	292 00	May 1, 1876.	H. Hunter.	1,000 00	1,000 00	708 00	2,562 50
3,385 00	185 00	May 1, 1876.	C. F. Labadie. James Gow. D. McLean.	1,600 00 1,400 00 1,900 00	4,000 00	615 00	

APPENDIX L—Continued.
STATEMENT showing the Names of Employes, &c.—Continued.

Resultant Cost.	Details.		Date of Superannuation.	Names.	Previous Cost.		Annual		Paid during years		Total	
	Salaries.	Superannuation Allowance.			Total.	Gain.	Loss.	Gain.	Loss.	Gain.	Loss.	Gain.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
1,818 52	1,900 00	518 52	May 1, 1876.	P. McClary, J. Spence	2,300 00	481 48	4	2,065 16				
1,845 12	1,200 00	645 12	May 1, 1876.	A. Thiiboo, F. Rowland	2,200 00	354 88	4	1,537 81				
2,591 80	900 00 700 00 600 00	394 80	July 1, 1875	J. C. Racine, L. Fominville, F. Fausiere, F. Corbelle.	2,300 00		5		294 80		1,474 00	
971 00	700 00	271 00	Dec. 1, 1877.	F. Duggan, C. R. De Martigny	700 00		1		271 00		407 40	
620 00	600 00	20 00	Feb. 1, 1879.	Ter. Brennan, Jules Quesnel	600 00		1				28 33	
455 40		455 40	July 1, 1879.	W. M. Corrie	1,000 00	544 60	1	514 60				
1,810 00	1,400 00	410 00	August 1, 1879.	W. Falton, C. G. Fortier	2,400 00	590 00	1				540 83	
680 00		680 00	August 1, 1879.	C. E. Komain	2,200 00	1,520 00	1	1,393 33				
2,093 00	1,400 00	693 00	Dec. 1, 1879.	Robt. Bell, H. B. Wilson	1,400 00		1				693 00	

APPENDIX M.

STATEMENT showing the Names of Employes of the Finance Department whose services have been dispensed with under the provisions of the Superannuation Act, the Names of other Employes affected by such Superannuation, and other information connected therewith, from the date at which the Act came into operation, viz., 1st July, 1870, to 30th June, 1880.

Annual Resultant Cost subsequent to Superannuation.	Details of Annual Cost to Superannuation.		Date of Superannuation.	Names.	Annual previous Cost.		Annual		Paid during Years.		Total	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.	Gain.	Loss.	Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.	\$ cts.
380 80		380 80	March 1, 1871.	Scott, F. G.	1,400 00	1,019 20	93	2,512 53				
747 20	600 00	147 20	do 1, 1871.	Goudge, John Cotter, Beverley.	600 00		94	147 20				1,373 86
519 72		519 72	June 1, 1871.	Ryan, David.	750 00	230 28	74				1,707 91	
2,425 15	1,800 00	782 08	July 1, 1874.	Ritchford, C. E. Wallace, J. R.	1,800 00 1,600 00	774 85	54				4,455 38	
2,240 00		2,240 00	Jan. 1, 1875.	Dickinson, Wm.	3,200 00	960 00	14				1,040 00	
625 00		625 00	Oct. 1, 1875.	Cory, Archibald.	1,600 00	975 00	43				4,631 25	
1,737 80	1,100 00	637 80	May 1, 1876.	Dufresne, L. F. Turgeon, C. E.	1,500 00 850 00	612 20	43				2,550 83	
2,645 00	1,200 00 1,100 00	345 00	Sept. 1, 1876.	Smith, C. W. Patterson, S. Sancton, F.	1,200 00 1,100 00	345 00	31				1,322 50	
2,079 80	500 00	1,579 80	Feb. 1, 1878.	McMicken, G. McMicken, A. C.	2,600 00	520 20	21				1,257 16	

APPENDIX N.

STATEMENT showing the result, as regards cost, of the working of the Superannuation Act, Marino and Fisheries Department, from the date of the passing of the Act to the 30th June, 1880.

Annual Cost subsequent to Superannuation	Details of Annual Cost subsequent to Superannuation.		Date of Superannuation.	Names.	Annual Previous Cost.		Annual		Paid during years.	Total	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.		Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.	1870.		\$ cts.	\$ cts.	\$ cts.	\$ cts.		\$ cts.	\$ cts.
669 16	450 00	219 16	Nov. 25	George Fisher Thos. Wheeler	500 00	500 00	169 16	352 58	2½		
907 20		907 20	Dec. 21	E. B. Lindsay	1,440 00	532 80		5,061 60	9½		
472 50		472 50	do 21	B. F. Lafleur	750 00	277 50		1,179 37	4½		
152 88		152 88	do 21	A. Martelle	300 00	147 12		1,397 61	9½		
407 44	250 00	157 44	May 6	Nathan Smith Wm. Faulkner	250 00		157 44	892 16	5½		
580 76	350 00	230 76	May 6	Peter Baikie F. Schofield	475 00		105 76	141 01	1½		
1,416 00	1,200 00	216 00	June 7	John Harley Jas. Mitchell	1,200 00		216 00	900 00	4½		

338 34	210 00	128 34	Nov. 25	John Long	310 00	28 34	8 mos.	18 89
533 11	400 00	133 11	1872. Feb. 6	John Dunlop	435 00	38 11	8 1/2	825 76
1,064 96	800 00	264 96	Feb. 6	Frederick Bragg Robert Dakin	460 00	604 96	8 1/2	5,091 75
980 48	800 00	960 48	March 5	J. D. Armstrong	1,840 00	87 52	2 1/2	1,905 64
552 00	300 00	252 00	do 28	Jonathan Woodall Wm. Woodall	400 00	152 00	1 mo.	12 66
704 24	500 00	204 24	March 28	George Roddick Robert Roddick	500 00	204 24	3 1/2 yrs.	970 14
486 08	350 00	136 08	June 1	John Crotty Jas. E. Robinson	360 00	126 08	6 1/2	830 03
507 64	400 00	107 64	June 20	James Clarke Jno. R. Stiles	460 00	47 64	5 1/2	242 17
595 72	400 00	195 72	Nov. 2	John Burgess R. H. Smithers	435 00	160 72	7 1/2	1,232 19
455 08	325 00	130 08	1873. April 1	Humphrey Fuller G. N. McDonald	325 00	130 08	3 1/2	455 28
838 24	700 00	138 24	Feb. 1	Paul Pouliotte F. Fafford	760 00	78 24	7 1/2	480 28
614 32	400 00	214 32	May 30	Norman Campbell N. McJ. Campbell	480 00	134 32	7 1/2	1,953 37
576 76	400 00	176 76	May 30	Jonathan Kent Jno. W. Kent	400 00	176 76	1 1/2	294 60

APPENDIX N—Continued.
STATEMENT showing the result of the working of the Superannuation Act, &c.—Continued.

Annual Result subsequent to Superannuation	Details of Annual Cost subsequent to Superannuation.		Date of Superannuation.	Names.	Annual Previous Cost.		Annual		Paid during years.	Total	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.		Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.		\$ cts.	\$ cts.
777 64	400 00	377 64	1873. May 30	A. Reed. James Wilson	580 07	197 64	7 1/2	1,389 35			
613 48	400 00	213 48	July 9	David George. Edward Horn	425 00	183 48	3 1/2	675 19			
244 08		244 08	Aug. 6	Louis Marchand	675 00	380 92	6 1/2	2,634 70			
1,091 60	800 00	291 60	do 12	C. J. T. Fox. Jas. Fox	480 00	614 60	6 1/2	4,251 00			
633 40		632 40	Sept. 1	P. S. Dodd	1,000 00	367 60	7 1/2	2,695 73			
369 52		369 52	do 1	Daniel Rooney	600 00	240 48	2	480 96			
128 88		128 88	do 1	Martin Brennan	400 00	271 12	6 1/2	1,830 06			
596 04	480 00	116 04	Oct. —	G. Stalker. M. McKenna	480 00	116 04	6 1/2	773 60			
502 67	400 00	107 67	Nov. 4	J. B. Picard. Narcisse Richard	480 00	42 87	6 1/2	280 92			

678 56	500 00	178 56	Dec. 1...	Wm. Condon.	500 00	178 56	6½	1,175 52
			1874.	W. Condon, jun.				
1,063 80	800 00	253 80	April 10...	E. Gourdeau	900 00	153 80	1½	230 70
				A. C. Depras				
516 52	400 00	116 52	Oct. 1...	Sam'l Hayden	400 00	116 52	2½	338 85
				Wm. Hayden				
780 96	600 00	180 96	Nov. 4...	D. J. McNeil	875 00	96 04	5½	525 05
			1875.	S. C. Campbell				
1,200 16	1,000 00	200 16	Jan. 15...	John Conley	664 00	536 16	5½	2,948 88
				David Webster				
367 24	250 80	117 24	May 19...	Jos. De Coste	257 00	110 24	2½	266 41
				Chris. DeCoste				
600 60	300 00	330 60	April 10...	Geo. Thomson	600 00	30 60	5½	168 10
			1876.	Thos. Campbell				
681 40	400 00	281 40	April 1...	W. A. Paten	435 00	246 40	2½	533 87
				Jas. Burlingham				
685 60	400 00	285 60	April 1...	J. B. Louden	460 00	225 60	4½	938 80
			1872.	Jno. D. Lowditch				
230 40		230 40	June 20...	Ellen Jessop	640 00	409 40	8	3,275 20
			1876.					
345 80		345 60	April 27...	Vital Teu	1,000 00	654 40	4½	2,726 67
1,075 20		1,075 20	do 27...	F. Gourdeau	1,600 00	534 80	4½	2,186 67
806 40		806 40	do 27...	John Smith	1,200 00	393 60	4½	1,640 00
1,120 00		1,120 60	do 27...	A. Lemoine	1,900 00	480 00	4½	2,000 00
783 36		783 36	do 27...	A. Lindsay	1,200 00	416 64	4½	1,736 00

APPENDIX N—Concluded.

STATEMENT showing the result of the working of the Superannuation Act, &c.—Concluded.

Annual Resultant Cost subsequent to Superannuation	Details of Annual Cost subsequent to Superannuation.		Date of Superannuation.	Names.	Annual Previous Cost.		Annual		Paid during years.	Total.	
	Salaries.	Superannuation Allowance.			Details.	Total.	Gain.	Loss.		Gain.	Loss.
\$ cts.	\$ cts.	\$ cts.			\$ cts.	\$ cts.	\$ cts.	\$ cts.		\$ cts.	\$ cts.
501 76	300 00	201 76	1876. July 1...	Thomas Hill Thos. H. Hill	325 00	176 76	3	530 28			
508 60	400 00	108 60	July 1... 1878.	Louis Malouin Alfred Malouin	400 00	108 60	1½	128 70			
1,905 60	1,200 00	705 60	May 16... 1879.	R. H. Russell Benj. Trudel	1,200 00	705 60	5 mos.	294 00			
698 00	500 00	198 00	Oct. 1... 1879.	James Edwards W. A. Grubb	500 00	196 00	1½	245 00			
591 60	450 00	141 60	Oct. 27... 1880.	H. G. Bennett Jno. McFarlane	500 00	91 60	8¼ mos.	62 97			
510 00	400 00	110 00	April 12... 1880.	B. T. Jenny Lawrence Laffin	500 00	10 00	3 mos.	2 50			
584 32	400 00	184 32	April 12... 1880.	M. D. McKenna Francis DeMings	480 00	104 32	3 mos.	26 03			

720 00	450 00	270 00	3	May	John Norton	450 00	270 00	2 mos	45 00
1,091 40	800 00	201 40	12	May	S. Meloche—L. L. Parisien	480 00	521 40	2 mos	86 50
					T. C. Crowell				
					Corning Crowell				
									29,214 09

6

SUMMARY.

Net Gain in favor of Superannuation Fund	\$	cts.
Amount paid by Department as Superannuation Tax	2,061	20
Total Gain in favor of Superannuation Fund	28,202	65
	\$30,263	86

MARINE AND FISHERIES DEPARTMENT,
OTTAWA, 24th February, 1881.

JOHN TILTON,
Accountant.