

and with Government policy generally. In so doing, it tries to eliminate duplication of effort, not only among federal departments and agencies but also with the provinces and private industry. It can be seen, therefore, that the Board, in being an integral part of the financial decision-making and resource-allocation process, can have an influential policy role.

### Program Review and Main Estimates

The actual administrative procedure which makes this process operative takes the form of two major budgetary submissions by the various departments each year. In May, departments prepare and submit to the Treasury Board forecasts of activities and expenditures for the next five-year period. This process, known as the Program Review, is undertaken with the full knowledge on the part of departments of the priorities the Government has established. The Treasury Board analyzes these proposals in the light of the Government's established priorities, the various requests from all departments and agencies, the available funds and the Government's decisions about the level of expenditure for the coming years. In summary, the objective of the exercise is to allocate available resources among competing requirements of all departments.

On the basis of its analysis, the Treasury Board then proposes to the Government specific financial targets for each department for the next fiscal year. After departmental targets have been approved by the Government and communicated to each department, work begins on the other annual submission -- the main estimates for the next fiscal year. These detailed estimates will, in many cases, differ from the material submitted at the time of the Program Review to the extent that expenditure cuts have been made in the original proposals and departments have to reallocate resources among their proposed programs. The Treasury Board also reviews and analyzes this submission. The main estimates submission assumes that the total resource requirements have been settled. It provides the information that the Board requires to ensure that such resources are efficiently and economically employed. When the Board is satisfied with the estimates, they are submitted to Cabinet for consideration. Once approved by Cabinet, they are recommended to the Governor General and then laid before the House of Commons.

In all its work, the Treasury Board must, of course, have a knowledge of revenue policies and there must be a very close working relation between the Minister of Finance and the President of the Treasury Board and between the staffs of their departments.

### Structure of the Board

The administrative arm of the Board, the Treasury Board staff, is divided into three branches, each concerned with one of the Board's major responsibilities. The Program Branch is the focus for the Secretariat's consideration of departmental matters. It is divided into three parts. One is made up of a number of divisions concerned with economic, scientific, social, cultural, defence and external programs. The second one is made up of a number of divisions concerned with transportation, communications, general government services and common services programs.

Each division deals with a group of departments having a related function or purpose and is expected to be well informed about the departments