

NEED FOR A STRATEGY

There are many reasons that a strategy for future Financial Management initiatives is required in the immediate future. These include:

- the substantial balances of idle cash in post bank accounts around the world; such balances could be earning revenue for the government;
- the opportunity cost of the Government's \$14 million non-interest bearing deposit with the Royal Bank, in exchange for Letter of Credit services;
- the current pressure from the Auditor General for better banking and cash management practices;
- the need for more effective and consistent financial administration practices at Posts;
- the variety of approaches to computerization of financial administration; and
- the challenges from the central authorities to re-examine established past practices.

The adoption of a comprehensive regional strategy would permit the Department to ensure high standards of economy and efficiency.