

divisions and their Assistant Under-Secretary or the Head of their Office. The Treasury Board deadline for Program Review submissions will provide the main reference point each year but the dialogue we are speaking of can extend almost any distance backwards from that date. After the Under-Secretary gives expression to the global objectives of the Department and assigns priorities for the coming period, the Office Head with his divisions, the Area Division with its posts, will be responsible for converting these to operational goals and plans. This effort would culminate in a statement of manpower needs by each post or division prepared in time for it to be reviewed and consolidated in the departmental Program Review document. Preceding or accompanying the discussion of future plans would be the review of past accomplishments. Laid end to end, the post-mortem on last year, the goals and plans for next year and the manpower budget provide ample matter for what could usefully be a year-round exercise.

In spite of the difficulties, we must emphasize the need for careful forecasting over the full five years of the Program Review, particularly when it comes to manpower. The Department has no technique for the instant production of middle-rank officers.

The Annual Estimates

The requirement for the annual Estimates procedure will remain largely unchanged. The Estimates submission prepared by each post and division which is a responsibility centre, should however become more meaningful in the context of responsibility accounting.

In the past, the departmental Estimates have been framed in terms of nine or ten so-called "spending divisions" at headquarters. Submissions have been called from posts and other divisions as inputs to the spending divisions. These inputs have, of course, been a principal source of information to the division doing the estimating but the requirements of an individual post or division lost their identity within the Estimates. In the future, the responsibility centre preparing its Estimates will be drafting its budget for the coming year. That budget will be reviewed as a whole and it will preserve