

Of course, the most important function of the treasury board is that which is stated in the Financial Administration Act. I am only paraphrasing the exact wording. It is the formulation and review of expenditure policy to the government, and associated with this, of course, is the control over the establishment or the requirements of the various departments of government for staff, and indeed, the various conditions of service under which these people carry out their work. These two aspects of the work of the treasury board—the review and formulation of expenditure policy and the promulgation of the various regulations in the financial field—constitute what I call the core of the treasury board work.

In recent years, it has been the responsibility of the Minister of Finance—in connection with crown agency budgets—and you are aware that the statutes which establish these various crown agencies require that they submit annually to parliament capital budgets, and, in some cases, operating budgets—to concur in these budgets with the responsible minister. Therefore, the Minister of Finance has the responsibility to review the spending intentions of the various crown agencies, and it has been the treasury board within the Department of Finance which has in effect been the advisory agency within the department for reviewing these budgets. With certain exceptions this is an accurate statement of the present situation.

The royal commission report commented on the work of the board. I would not disagree with any of the basic and factual information there about the extent to which the treasury board has been burdened down in recent years with the question of reviewing great masses of submissions to the board. I would say this about the work of the board and its staff, that it is a constant concern of the staff and the ministers to attempt as much as possible to get our general regulations within which most of the departments may operate and to cut down somewhat on the flow of week to week work.

Before I go back to the annual review of the estimates, I should just note that as an operating fact the board meets weekly to discharge its responsibilities, and the preparation of the agenda for this meeting is my responsibility. It would be quite normal for a meeting to run for perhaps two hours or so to deal with the business at hand.

In the general area of regulations, I noted down here the travel and removal regulations concerned with foreign service allowances and allowances of all types as they relate to people, post allowances for instance, the general contract regulations which are established under the Financial Administration Act, control over the publications' policy, control over government forms and their utilization, a concern with office equipment and office furniture standards. These are the general regulations which over the years the board has brought out. I might note the growing importance of the application of computer techniques and automatic data processing to the general operations of the government.

This is indeed a very complicated area affecting the inter-relationship between people and systems in the various departments. There is an inter-departmental committee which the treasury board set up and which is assuming, I think, a growing importance in making judgments about the introduction into our government operation of quite expensive equipment in this field.

As the government expenditure program has grown, so has the elaboration of the control structure. I would just observe that from my point this has had a factor of inevitability about it, and of course this is the substance of the concern of the royal commission on government organization, the report of which the chairman has referred to you for study.

Much of what I would say this morning really turns on the findings of this commission. I think I might state the general conclusions of the royal