

Even before the Commission began its deliberations and until the present, the Government has been taking a range of steps to respond to these concerns and thereby strengthen management and accountability throughout the Government. I would like at this time to touch briefly on some of the major initiatives of the last few years in this regard.

There has been the introduction of the policy and expenditure management system, the envelope system, and the associated fiscal plan over a multi-year horizon. This was a major step forward in that it alters fundamentally the stance from which the Government reports to Parliament on expenditures and other fiscal matters and adds significantly to the information provided to Parliament concerning the Government's overall spending plans. It provides an expenditure management framework that sets multi-year levels for both total outlays and for various envelopes or policy sectors. It established policy committees within Cabinet to undertake policy development and decision-making within the discipline of the envelope system.

● (1730)

While the previous Conservative Government introduced portions of this system, the current Government has provided its consolidation and final implementation. I would also remind Hon. Members that the developmental work on the envelope system was undertaken before the previous Conservative Government was in office.

The current fiscal plan, made public in the Budget of last February, is only the most recent illustration of the fact that the Government has recognized the view, expressed by the Lambert Commission among others, that such a fiscal plan can provide Parliament and the public with an opportunity to consider the Government's total fiscal plans and its underlying priorities. It also provides a clear fiscal context within which parliamentarians can situate the Estimates, both Main and Supplementary.

Policy expenditures and management system, PEMS, another way of describing the envelope system, facilitates expenditure planning on a top-down basis, employing the functional envelopes set out in the fiscal plan. The system has been designed to achieve closer integration of the government's priority setting, policy development and expenditure management decision-making processes; decentralize decision-making authority, in recognition of the increasing range and complexity of government responsibility and the interrelated policies and programs designed to discharge them; increase ministerial direction and control over the policy, planning and expenditure decisions of the government; and provide adequate time for the planning process, so that Ministers can review existing policies and programs and bring about desirable changes in the use of resources to reflect changing priorities of the Government. Most important, perhaps, it makes transparent to Parliament and the public the processes through which the Government establishes its priorities and the over-all fiscal constraints within which this is done.

Government Expenditure

A key elaboration of PEMS has been the introduction by the Treasury Board of the multi-year operational planning system. This system is aimed at fostering more integrated resource planning, budgeting and management throughout the Government. Two key concepts, budgeting to results and budgeting for management, underlie the multi-year operational plans submitted to the Treasury Board. The first concept is designed to facilitate practical but systematic budgetary analysis based on concrete program outputs and inputs. The second is aimed at providing a clear understanding throughout the Government of the responsibilities of Public Service managers and how these responsibilities translate into budgetary requirements.

The office of the Comptroller General, created in 1978 in response to a central recommendation of the Lambert Commission, assists in the establishment of sound management practices in the federal government by developing policies and standards and by promoting and monitoring improvements in financial and operational management. Over the last four years, 30 or so Departments have participated in one of the Comptroller General's key initiatives called improvement in management practices and controls, or IMPAC, which is directed at the internal management process of individual departments. IMPAC has resulted in the establishment of action plans for over 100 major projects to improve organization, planning, internal and external reporting, automation, program delivery procedures, audit and program evaluation. Almost 80 per cent of the work on these projects has now been completed, and there is clear evidence of the ongoing yields that are the result.

It is interesting, Mr. Speaker, that the Comptroller General's office is the one department of Government, although it is gradually working through practically all Departments, to implement a much more effective system of improvements in management and control practices. In fact, the number of man-years is being reduced because these procedures have been implemented in many Departments.

Mr. Speaker, I would now like to review another important achievement of this Government in relation to strengthening accountability—its strong and continued commitment to improve the information which is provided to parliamentarians and, through us, to all Canadians on the spending plans which we ask Parliament to approve.

The initiatives already described, such as the policy and expenditure management system and the improvement to management practices and controls, project IMPAC, are, in a sense, internal mechanisms used by the Government to better plan its proposed spending and to better manage and control funds once they are approved by Parliament. However, central to effective financial control is the presence of appropriate financial and management accountability information to Parliament. Our progress in providing better information to Parliament has strengthened the role of Parliament and increased the ability of Parliament to hold the Government more accountable for its performance.