

Financial Administration

good; "increased efficiency", which is likewise desirable; and then, "conservation of property", and finally "improved employee-working conditions, better service to the public." All would agree that these were desirable objectives when they were set out in the legislation in the United States. Furthermore, since there is now the possibility, under this resolution and the bill to be based thereon, that a similar system might be introduced in Canada, I should think hon. members would be interested in knowing what the results of this system have been in the United States.

Before turning to that, however, I may say that this executive order 9817, which I hold in my hand, goes on to spell out the precise formula as to the amount of the cash award to be paid. In all cases the amount of the award is determined by the monetary savings to the public treasury. For example, if it is a saving between \$1 and \$1,000 the award is \$10 for each \$200 of savings, with a minimum of \$10 for any adopted suggestion. Then, without reading them all, but going down to larger amounts, I may say that in the event of a saving of from \$10,000 to \$100,000 the award is \$275 for the first \$10,000 of savings and \$50 for each additional \$10,000 of savings.

Another section in this executive order reads as follows:

Whenever the head of a department believes that a suggestion he has adopted would benefit the government service generally, he may report it to the director of the bureau of the budget for dissemination to all departments.

Therefore I suggest that on paper this looks pretty good. It does appear as though the authorities at Washington have taken seriously the idea of soliciting from their employees suggestions as to ways in which money might be saved, efficiency improved and working conditions generally made better. The question arises: What has been the result of such a system? I have in my hand a letter addressed to me under date of October 12, 1951, by Charles F. Parker of the bureau of the budget, executive office of the president, Washington, D.C. I need not read the letter except to say that it indicates he was sending me certain information and documents, including tables, showing the results of this system as it has been in effect in the United States down to and including the fiscal year 1950. At the end of his letter he says:

I do not yet have the total results for the fiscal year 1951, ending June 30, 1951, but the reports I have received to date indicate improved results. I will forward a copy of the 1951 summary as soon as it is available.

I have already said that Mr. Parker was good enough to send me certain tables, and I have no doubt that the officials of the Department of Finance also have copies of them. One of them is headed, "Agency Employee Suggestion Systems, Fiscal Year 1950". It is an excellent summary of the working of this plan. All the regular departments of the federal government at Washington are listed in the table and then there are many columns with respect to the various suggestions. Picking out two or three of the significant figures, I find that in the United States fiscal year 1950 there were 87,582 suggestions received. Of those, 23,159 suggestions were adopted. That in itself sounds pretty good. It would suggest that the employees are taking the plan seriously, that they are submitting suggestions worth consideration, and that the government is considering all those that have merit.

The number of cash awards for suggestions amounted to 19,973, and the amount of the cash awards for these suggestions paid to civil servants was \$573,865.90. Now comes the really significant figure. In return for those awards of the figure I have just named the estimated savings to the federal government in the fiscal year 1950 amounted to \$20,652,988.76. Twenty million dollars may not be a huge sum of money in relation to the United States budget; it is a little more to us. But even if one omits comparisons, the plain fact of the matter is it is a sizeable sum of money, and if we could save a sum of that kind it would be well worth it, and the government ought to do it.

I go further and suggest that in addition to the actual dollars and cents that can be saved by such a plan it is bound to have a good effect on the morale of government employees. If employees in the civil service and the government generally know that the government really wants suggestions and that it will put meritorious ones into effect, it cannot but have a worth-while effect on the morale of the employees, the efficiency of government service and the respect, shall I say, of the public for what the government is doing.

It is interesting to me to note the departments of the United States government in which the major savings were effected. From looking at them I imagine that they run more or less proportionately to the amount of money being spent by the various departments. At any rate the departments at the top of the list in the amount of money saved are the three defence services. After you