

system, is the year after that. We were appalled at further delays in making what seemed to us to be sensible improvements.

There are two other points. When we did this proposed consolidation we had in mind very much the likely types of authorities which would be embodied in these program limits, and we came to the conclusion what we are recommending would be entirely consistent with this; that this would be a step in the direction of what you would reach in terms of the amounts of money and the programs they described, even though we are using the existing estimate headings.

Another point is that by doing this consolidation we will put departments in a position where we are able then to work with them. This is a straight administration point and enables departments to handle their own organizations internally as we go along in the direction we are trying to achieve on this program budgeting side. By these broader authorities they are able to do the type of re-organization which we think is going to be necessary in order to achieve the aims of program control of the type we are thinking about. These are the things I wanted to get out which has led us to bring this forward at this time.

Mr. HARKNESS: In connection with this matter of a reduction in the number of estimates I would agree with the point of view put forward by the Auditor General, but I would go farther. I think the reduction in the number of estimates, which already has taken place, and which has been very considerable, has reduced considerably the ability of the house to effectively go into expenditures and to control them. As an example, back in the period 1945 to 1949 there was something in the neighbourhood, I think, of 40 to 60 items under national defence and, at that time, I think we had a very much more arbitrary discussion of that department and a better understanding of how it operated as far as the House of Commons was concerned than was ever the case since. As a result of reducing the number of estimates in that department to about five, and only two or three were effective items, this meant that in respect of anything from that time on you had always a very great roundhouse discussion, with a dozen different matters being brought up by different members, all, of course, on one item. You could bring up anything in that item, and the result was a confused discussion and a lack of ability really on the part of the members of the house to come to anything definite in discussion of these particular estimates.

It seems to me the greater the extent to which you reduce the number of estimates the more confusion is created really in the minds of members, and the less logical discussion you get of the estimates and the expenditures of any department and, therefore, the less control the House of Commons can exercise in that regard.

Now, I quite realize, on the basis of my own experience in three departments, the administrative advantages which Mr. Steele has mentioned in having a very small number of estimates because then there is no difficulty as far as transferring votes are concerned. But, that can be looked after, I suggest, by provisions which always have existed enabling, with the authority of treasury board, a money vote for one particular item to be transferred to another, if this is justified. But, certainly from the point of view of the House of Commons, and the essential function of the House of Commons is control of expenditures, it seems to me the more you reduce the number of estimates the least effective you make that control and the more actually you give up what is the essential business of the house.

Mr. MUIR (*Lisgar*): Did I understand Mr. Steele to say he had written certain recommendations to you earlier?