

- (b) Inclusion of supporting financial information of Crown corporations and other public instrumentalities in the Details of Services for the purpose of providing better information to the Members and to the public with respect to the nature of the fiscal requirements of the Crown corporations and other agencies requiring financing by parliamentary appropriations.
- (c) Presentation of additional information in the Estimates concerning the staff of all government departments and the Crown corporations and other public instrumentalities referred to under clause (b) above:
 - X (i) the number of employees actually on the payrolls at the latest date available during the course of the Estimates preparation; and
 - X (ii) brief notes explaining proposed major increases in the size of establishments.

Your Committee recommends the adoption of as many of the foregoing improvements as is practicable in the Main Estimates for 1964-65.

4. Your Committee considered and approved the following additional improvements in the form of the Estimates but, for the reasons stated hereunder, believes that their implementation should be delayed until the government is in a position to introduce the program budgeting referred to in paragraph 2:

- (1) Introduction of interdepartmental billing for services rendered.

This contemplates provision for all significant cost factors in the individual departmental appropriations and thus the inclusion of the actual costs in the accounts of the responsible departments. At the present time these cost factors are shown in memorandum form in the Estimates of each department and described as the "approximate value of major services not included in these Estimates". It is understood that these figures will continue to be shown in memorandum form in the Estimates until it is possible to inaugurate interdepartmental billing for the services. This recommendation should not be implemented until the numbers of extra personnel required have been determined and a decision should be made at that time as to whether the benefits envisaged justify the increased costs.

- (2) Preparation of the Estimates both on a "net" and "gross" basis.

The President of the Privy Council announced on November 5th that all departments and agencies will be required to that revenues will be offset against related expenditures in individual votes with the votes being shown in the Estimates and controlled on a net basis. Your Committee understands that implementation of this proposal will be effected with the introduction of the program budgeting referred to in paragraph 2.

- (3) Inclusion of appropriate explanations in the Estimates in all cases where expenditures proposed for the year involve substantial commitments for future years.

The President of the Privy Council announced on November 5th that all departments and agencies will be required to prepare and submit to the Executive long-term plans of expenditures by programs, and that on this basis an overall forecast of government expenditures and prospective resources for a period of five years ahead would be prepared annually. Your Committee noted that preparation and submission of this material is to form an integral part of the implementation of program budgeting referred to in paragraph 2.