

projects. With the return of peace, the War Committee was disbanded but the continuing pressure of increased Government activity necessitated the establishment of a new series of Cabinet committees. In this realignment of the Cabinet's workload, the Treasury Board assumed greater importance and its increasing regulatory responsibility led to a reassessment of its role within the executive. This resulted, in 1951, in the replacement of the Consolidated Revenue and Audit Act by the Financial Administration Act, which clarified the role and responsibilities of the Treasury Board along with those of the Comptroller of the Treasury. The Board was empowered "to act on all matters relating to finance, revenues, estimates, expenditure and financial commitments, accounts, establishments, the terms and conditions of employment of persons in the public service and general administrative policy in the public service". By virtue of these statutory powers, a large number of matters that had formerly required submission to the Governor-in-Council could now be dealt with by the Board itself. In summary, the Board assumed a larger role in the central direction of Government activity. One significant change in this respect was with regard to contracts. Until 1951, the major administrative responsibility for the control of contracts remained in the hands of Cabinet. With the new Act, all major contract proposals, whether for the acquisition of land, the construction of works and buildings, or the purchase of supplies and services thereafter, required specific approval by the Treasury Board and all other contracts became subject to its regulations.

Glassco Recommendations

The next stage in the evolution of Treasury Board functions came as a result of the findings of the Royal Commission on Government Organization (the Glassco Commission). In 1960, the Government, recognizing that the role of the Government and the character of its activities had changed radically over the years, established this Commission "to inquire into and report upon the organization and methods of operation of the departments and agencies of the Government of Canada and to recommend the changes therein which they consider would best promote efficiency, economy, and improved service in the despatch of public business". The urgent need was to identify the tasks of management facing the Government of Canada and to devise patterns of organization and guides to action that would accomplish these tasks. The Commission felt that the needs of effective management fell into two general categories -- those associated with the administration of departmental operations and those involved in the central direction and co-ordination of Government activities as a whole.

With respect to the central direction and co-ordination of Government activity, the Commission pointed out that the policies and programs of each department and agency must be balanced against and harmonized with those of other departments and agencies and that they must justify themselves in terms of their contribution to the general interests of the Canadian people. Thus the authority of each department must be subject to the overriding needs of the Government for the general interests of Canadians.

While central direction is the collective responsibility of the Government as a whole, the Commission was of the opinion that such a task was only effectively carried out if there was one person or agency responsible to furnish initiative and to ensure that collective decisions were executed. Over