

reserve my opinion because the matter is actively under consideration by ministers at present. For example, you have had several of your witnesses speak about the recommendation of the Glassco Commission in regard to the transfer of responsibility for the pre-audit function away from the Comptroller of the Treasury to departments. I have naturally had views on this matter, but Dr. Davidson and Mr. Balls have both asked that I keep an open mind on it until they have gone into it further and discussed it with me, because the Minister of Finance is going to have to come to some conclusions on it, and the Treasury Board, I suppose within the next few months, will also have to do so, and if you do not mind, I would not propose to offer an opinion pro or con upon that at this stage.

I would draw some implications of the recommendations in this report to your attention. First of all, I think that if we follow these the various departments of Government are going to have to assume more responsibility and exercise more judgment in financial administrative matters, and for this purpose they are going to need senior financial administrative officers. As I think Dr. Davidson has indicated to you in his testimony, it is not going to be easy to find experienced officers to take on these responsibilities, and we shall have to rely in some cases on those who have not had all the experience we would like, and train them and let them make a few mistakes, perhaps, in doing these things as they gather the necessary experience and good judgment. I say this because it has been my experience that the deputy ministers of departments are so concerned from week to week with other issues that it is difficult for them to take as detailed a responsibility for purely managerial matters as they would like; and I think they need to rely on competent and, if at all possible, experienced officers whose primary responsibility will be the administrative policies and judgments that the department will have to exercise under the recommendations of the Glassco Commission. I think myself it is right in principle that this should be done. I think it is manageable to do it, but I would say that this problem has to be recognized and we have to anticipate that as we work into this sort of thing we are bound to have some differences between departments in the way they deal with things and some of them not coming up to as high a standard as either they or others of us would wish them to do as they acquire more experience and more training in the matter.

A second implication I would draw out of this is that the Treasury Board and its staff are going to face new and rather difficult problems in judging performance rather than in authorizing transactions. I feel that this too is the right direction in which to move, but in many ways it is easier to look at a whole host of transactions as they go through and express one's opinion on them as they come before one than it is to look at the way a department has been running, how it has been managing its affairs, and come to a decision whether it has been exercising the right kind of efficiency and judgment in what it is doing.

Again, I think, as far as my own knowledge and experience of these things goes, that the royal commission has pointed us in the right direction in this and that we should take it, but it is going to mean a different kind of job for the Treasury Board and those who serve it, and one cannot expect it to be perfect to start with. This, of course, applies to us in the Department of Finance in our staffing of the Board, and we are hoping to follow the advice of the Glassco Commission in one of their other reports and get for the staff of the Board men who have had operating experience in departments and not rely as much as in the past on men who have grown up, so to speak, in that central organization itself.

I have not reflected as much as I should, perhaps, on what the implications are for Parliament. Perhaps that is better left to parliamentary committees