

*Refitting of HMCS "Bonaventure"*

material but which, rather, is an account of the various measures the government has taken in recent years to improve or increase the efficiency and effectiveness of the public service. The changes the government of Canada has introduced to increase efficiency and effectiveness in the public service fall into three general categories. First, the adoption of a new approach to management; second, changes in organization to achieve this end; third, the introduction of new approaches and procedures in the fields of administrative management, planning and budgeting.

After a quarter of a century of large-scale government in Canada we finally have learned that you cannot achieve efficiency, effectiveness, probity and prudence in the spending of public funds by piling regulation upon regulation. For too long Treasury Boards have sought to achieve these desirable ends by controlling departments and by telling them in ever greater detail how to manage their affairs. The end result of this process, unfortunately, has been not only to achieve probity and prudence in public expenditures but also to erode those qualities of creativity and enthusiasm which are essential to effective management and administration.

We in the present government are trying to change that. We are seeking to provide ministers and their departments with the authority and the machinery with which to better discharge their responsibility to the cabinet and to this House for the effectiveness of their programs and the efficiency of their administration. This means that they will be doing their own evaluation of the effectiveness with which their programs achieve the government's objectives. They themselves will be applying the tests of efficiency with which their programs are administered. To this end the departments of the government of Canada are introducing the internal operational audits which are required to support its operation.

This does not mean that having delegated responsibility to departments, the government can or will simply hope for the best. We, the collectivity of ministers, remain responsible for the effectiveness and efficiency with which departments discharge the responsibilities which have been delegated to them. So we in turn must establish mechanisms for reviewing the performance of departments; for reviewing their evaluation of their programs and their administration.

[Mr. Drury.]

● (5:40 p.m.)

The principal change in organization which has been made to this end has been the designation of a single agency, in place of four or five, to act for the cabinet in reviewing administrative management in the public service. This agency, the Treasury Board, is responsible for ensuring that methods for evaluating the effectiveness of programs and the efficiency of administration are developed and applied throughout the government of Canada. It is responsible for ensuring that the best possible organizational forms and staff development techniques are employed throughout the public service. It is responsible for ensuring that high standards of probity and prudence continue to apply in the expenditure of public funds. And it must do all this without usurping the responsibilities of operating departments.

The second major change in organization was to separate the Treasury Board from the Department of Finance, as recommended by the Glassco Commission under the chairmanship of the late Mr. Glassco. This has had the effect of enabling one minister to concentrate his undivided attention on economic policy, and another to concentrate his attention on the continuing evaluation of programs and administration. In a country the size of Canada, with a government as large in scale and as diverse in activities as ours, this change was essential if both functions were to be performed well. In addition to these changes in organization, and again as a consequence of the change in the philosophy of management in the public service, substantial changes have been made in our approach to planning and budgeting and to administrative management.

Let me say something first about the changes the Treasury Board has introduced and is still introducing in administrative and personnel management. We are seeking, essentially, as I have said, to develop techniques for the evaluation of departmental performance as a substitute for regulating or controlling it. In the field of organization this means encouraging departments to review their organization and participating with them in the evaluation of the proposals which are made. No government has, I think, engaged in more wide-ranging reviews of organization than this one. Indeed, members opposite have sometimes criticized us for concentrating too much on these searches for increased efficiency.