

A more detailed step-by-step description of the Estimates procedure is found on page 69 of the consultants' report.

### The Delegation of Authority

This section should be unnecessary. Everything that has been said about budgetary control implies delegation. In a context of responsibility accounting, the budget is the spending authority. Central management has the prerogative of approving the budget. Thereafter, the Head of the responsibility centre has complete spending authority up to the limit of his budget. In short, approval of the budget is approval to spend.

Within two or three years, in fact, this kind of authority will be enjoyed by the posts and divisions of the Department. During the shakedown period, spending authority will be delegated just as rapidly as possible although in a piecemeal and progressive fashion. When the Department has delegated the full range of new powers to heads of post and division they will continue to be subject to the rules of propriety and legality and to the administrative policies of the Department. The consultants' report deals at length with these limitations on the full autonomy of managers. This section summarizes only the main points.

#### 1. Differences Between Divisions

The budgets for posts abroad and for some divisions reflect their own operating requirements exclusively. Their expenditure decisions affect them alone and therefore they will eventually operate with the full freedom described above.

In contrast, the administrative support divisions control the entire departmental fund for certain types of expenditures (e.g. Personnel Branch for Canada-based salaries and allowances).