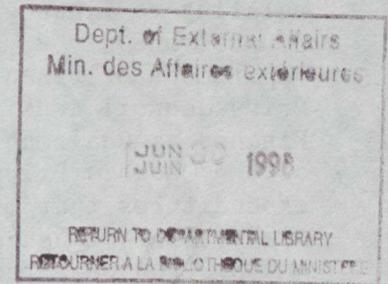


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THE TREASURY BOARD OF CANADA*

The Treasury Board is a Committee of the Privy Council of Canada established by statute, having certain delegated executive powers and responsibilities. Therein lies its importance in Canada's system of government. The legislature makes the laws, levies taxation and appropriates public revenues. The executive carries out the laws and supplies the services required. This is admittedly an oversimplification, since the making of laws and their enforcement are not entirely distinct processes. The legislature, in deciding upon broad social and economic policies, often instructs the executive to make rules and regulations for the implementation of those policies. Under such circumstances, the law can be made while it is being administered and enforced.

In a parliamentary democracy, the cabinet is, in essence, the real executive. It has been said that, if such a political system has a centre of gravity, that centre is the cabinet. Walter Bagehot once wrote that "a cabinet is a combining committee, a hyphen which joins, a buckle which fastens the legislative part of the state to the executive part of the state". It formulates and carries out all executive policies. It prepares most of the legislative program. It exercises almost exclusive control over all matters of finance and is responsible for the administration of all government departments. It can be seen, therefore, that the Treasury Board, which has been endowed by statute with certain delegated executive powers of the Cabinet in these various areas, has indeed a very important place in the structure of Canada's parliamentary system.

Early Development

The need for such a federal body to act as co-ordinator and overseer of the financial affairs of government departments was recognized in the earliest days of Confederation. The British North America Act carried forward the financial rules and procedures of the former Province of Canada. A single

* Based on a speech to the National Defence College on October 6, 1969, by the Honourable C.M. Drury, President of the Treasury Board.

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