

Mr. G. G. E. STEELE (*Secretary of the Treasury Board*): Thank you, Mr. Chairman and members of the committee. First of all I would like to thank you and the committee for giving me an opportunity to speak to this item. We are commencing at this time a review of the estimates for the fiscal year 1964-65, and since it is our hope that we may be able actually to introduce the proposed vote consolidation when these estimates are tabled in the House of Commons, it is of course vitally important that the committee hear from us what it is we had in mind, and if there are any reservations about this course of action that they be expressed through your comments and recommendations.

I think the view has always been taken by successive ministers of finance that the Financial Administration Act charges the Minister of Finance with responsibility for the full form of the estimates and the public accounts, but they have always taken the view also, and very wisely so, that the standing committee on public accounts of the house should have an opportunity to make comments or recommendations as to the form of these house documents. If I might just go back to the 1960 meeting, at that time we were able to bring forward a number of recommendations which I do not think I need go over here because I have been reading from Mr. Henderson's follow-up report and I see that he has dealt completely, and adequately with what went on at that time.

There had been no substantial changes in the form of the estimates from 1950 and 1951 to that point in 1960. There had been repeated comments in the intervening years that the business of the house would be facilitated if a number of improvements were made. Some of these were recommended by your committee in 1960 and were introduced into the blue book of estimates in the last two years. In addition to the permanent vote number system, there was a consolidation of detailed information and the elimination of a great deal of detailed information relating to staff, with the addition of certain information to provide a better understanding of the total cost of the service. This information is in the estimates now in what we would call memorandum form, which is not actually voted by the house, but presented in such a way that the members would have a better impression of some of the major cost items. I would like to go to page 3 of Mr. Henderson's report and to follow up the view he expressed on the importance of the form of the estimates and the urgent necessity of making further improvements.

One thing that intervened since 1960 which was of considerable significance to the house and the Department of Finance and the government since that time, has been the report of the royal commission on government organization in which they had many things to say about the whole system of financial control in the government. They had some positive recommendations to make about how it could be improved. If I might refer generally to this for a moment and then come back to what it is we are proposing, I might be able to give you some feeling for what I think we might do at this time, but I am not going to go as far as the Auditor General would like to see us move in the next year or two. The reason for this is that the estimates in addition to being a very vital house document are an expression of the system of financial control which the government uses in conducting its financial affairs.

Since the main recommendation of the Glassco commission was that there should be far greater decentralization of financial control from central agencies to departments, it seems to us—and I think our advice here—is not just that of the treasury board staff in the Department of Finance is that we should consider the advice of the committee but also the senior officials who have been receiving the main recommendations of the Glassco commission. It was their advice that we should do a preliminary study of the subject, and the prin-