

Senator POWER: What is the procedure at present?

The CHAIRMAN: The difference is that at present every expenditure goes back to the Comptroller of the Treasury for a certificate that that expenditure is being made in line with the estimates and the vote under which it is authorized. The natural reaction is that as long as the Comptroller of the Treasury is taking that responsibility the department itself does not consider it.

Senator POWER: How do you deal with the kind of situation where the Minister of Finance, sitting around a table, says: "Here, you are in charge of this department which cost \$400 million last year. I will give you \$400 million this year. Do what you like with it". Where is there any further responsibility there?

The CHAIRMAN: The idea is that all of this funnelling into the Treasury Board will be substituted for by proper controls inside the department, which does involve internal auditing...

Senator POWER: So you have a sort of a policeman there?

The CHAIRMAN: The report says:

Detailed restrictions, centrally imposed, multiply the number of departmental submissions to the Treasury Board requesting authority to act. Thus the Board is inundated with administrative detail. A sampling of board minutes indicates that decisions are required on about 16,000 submissions annually. These vary from elaborate and far-reaching projects involving a sizeable portion of Canada's economic resources, as in a new defence installation, to a request involving a few dollars for the purchase of sugar and tea for a reception at an Experimental Farm.

Senator POWER: That could be done away with, but I do not see how that would in any way affect the total expenditure of a department.

The CHAIRMAN: Except by more economic operation. The total amount voted would, of course, remain as voted.

Senator POWER: I feel at the present time that the custom is for the deputy minister to suggest to the minister that he asks for X amount. Knowing full well that the Minister of Finance will cut it down he increases that amount so that if he gets one-half or three-quarters of what he asks he will be getting what he wants. That is the habit and the custom. Will you get over that by adopting this procedure?

The CHAIRMAN: Theoretically that is what is supposed to be done.

Senator POWER: That is, in the total amount for the department?

The CHAIRMAN: Yes.

Senator POWER: I understand the recommendation that the minister should not have to run over to the Treasury Board every ten minutes or so for such things as an increase in pay, but I do not see how you are going to reduce the total amount of the estimates.

The CHAIRMAN: All I can give you is the thinking that is behind the Glassco Commission's report that is being studied. Of course, it has not all been accepted. In a sense it makes a deputy minister more like the general manager of an operation where he must view the operation from the standpoint of its success related to the expenditure involved in connection with it. If it seems to be too expensive or too inefficient in its operations the responsibility is placed squarely on his head.

Senator LAMBERT: It means that the deputy's job is to convince the minister that he is right.

The CHAIRMAN: Yes, and also the Treasury Board are going to measure these standards of performance, I would think, more critically once this delegation of responsibility takes place.