

who will come in with a managerial career, and managerial interests and responsibilities, in mind.

We are making some progress. Dr. Davidson in his testimony on this point says at page 186 of your proceedings:

The Civil Service Commission, together with the Treasury Board staff, have made certain assessments of our state of readiness in the various departments of government to take on at the departmental level these additional responsibilities in the financial field—

He is referring here to these financial managers.

—and it has been established that we have very serious weaknesses concerning personnel available, trained and equipped to deal with the kind of job that will be required departmentally, if this responsibility is to be shifted from the central agencies and vested in the departments. With that in mind, training programs are now being developed under the auspices of the Civil Service Commission—for example, the Society of Industrial Cost Accountants, at Carleton University.

And then he goes on to say that over the course of time it is hoped to train people to do this kind of work.

Senator BAIRD: Mr. Bryce, you talk about bringing in people from the outside. Would not that create a certain amount of dissension and dissatisfaction amongst those already there?

Mr. BRYCE: Almost inevitably, sir, when you have to bring people from outside a unit to run it.

Senator BAIRD: It would be far better to give the material you have inside a fair chance.

Mr. BRYCE: On the other hand, it has been my personal experience that it is good practice to make some lateral transfers within the service from one department or unit to another. It helps you avoid getting too much of an inbred point of view on the operations of units. I think it is a good thing to bring in a reasonable number of people from the outside.

The CHAIRMAN: Have you pursued this point as far as you want to go, Senator Croll?

Senator CROLL: I had a nasty question, but I will defer to Senator Lambert.

Senator LAMBERT: The question has been raised with respect to the efficiency and competence of the personnel of the different departments, and I immediately link that idea up with the question of policy. It has been stated there are only two provinces in Canada that are receiving more in the form of revenue from their own area than what they receive from the federal treasury. Those provinces are Ontario and British Columbia. Is the old idea, that revenues should be spent in the area in which they are produced an emphasis on the question of centralization versus decentralization—

Mr. BRYCE: Do I take it that you are referring to—

Senator LAMBERT: The application of the revenues of the country in such a way as to distribute them evenly over the whole country, regardless of where they come from, is one view. The other one is that we should attempt to re-establish the practice of having each province, for example, living on and within its own means.

Senator SMITH (*Queens-Shelburne*): It would mean a poor living for some Provinces.

Senator LAMBERT: Since Confederation we have had subsidies, and probably those subsidies will have to be continued, but the problem is one of policy vis-à-vis the personal adjustment of various individuals.