

# NEWS SERVICE

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MANITOBA

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Statement by Premier Weir on government changes at press conference.

This morning we will be presenting you with one of the most comprehensive changes in government organization ever undertaken in Canada.

I must stress this, so that you will realize it is far more fundamental than just cabinet changes for the sake of change. We are implementing the latest concept in government administration ever undertaken.

The reasons for re-organization are simple. Demands upon government are great and growing. Government is the most complex operation in the province today, and is involved in every major aspect of activity in Manitoba. If we are to get the very best value for the tax dollar, we must have a government structure designed to control and direct as effectively as possible those programs and expenditures that are undertaken in response to the public need.

Let's look at the government of Manitoba today.

We have 7,600 civil servants. Our annual budget is \$360 million.

The government has some 300 programs -- all aimed at providing services to make Manitoba a better place to live in.

This is big business. And many people are very concerned over just how big government is growing. It's a far cry from 1881 when the government consisted of a staff of five and the annual budget was less than \$100,000.

Since that time the population of Manitoba has increased to 975,000.

The government is being asked to provide services undreamed of even a decade ago.

We have completed the most exhaustive review of government administration in the history of Manitoba. We propose to hold the line against rising cost. We are instituting changes in the organization of several departments which will increase effectiveness and improve results. We intend to arrest the rising curve of expenditures for only in that way can we expect to continue the major programs which the people of Manitoba expect from the government.

Since government is a big business, it must use all the latest management methods and techniques available in an effort to give the taxpayer the best value for his tax dollar. Indeed, we would fail in our duty if we did not adopt all methods of economy and of forecasting our future fiscal requirements.

A government acts much as a businessman or a housewife does, in deciding the very best ways of managing their resources.

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I have set up two key cabinet committees:

1. A management committee.
2. A planning and priority committee.

Primary task of the first committee will be to monitor spending and management performances of every department. This committee is, in fact, the Treasury Board, with wider functions and a secretariat to support it.

The second committee will be responsible for the continuous appraisal of all government programs on a priority basis. It will recommend which programs should be dropped, which should be continued and any new ones that should be started. This committee is a restructured Manitoba Development Authority.

All cabinet ministers will serve one or the other of these two key committees. With this new cabinet structure, we can give real meaning to the word "planning", which simply is the ability to look ahead.

The policies made by cabinet as the decision-making group will set the course for action at the departmental level.

I must emphasize the role of cabinet as the decision-making group. Ministers are the heads of departments but they must deal collectively with the total aims and the whole machinery of government. The cabinet is in charge of public policy which is carried into effect through selected programs: programs that often cut across departmental lines. We are equipping the cabinet with the means of establishing priorities on the basis of total needs.

To achieve control of rising expenditures, therefore, we have a double approach:

1. The re-organization of the "executive level" of government to co-ordinate policies and programs.
2. Once policies are laid down, the management will be the responsibility of the departments.

We looked at these program departments in a newer and more logical way.

We looked at the 300 programs and regrouped them on the basis of function and overall policy objectives.

The policy areas are: agriculture; industry and commerce; mines and natural resources, tourism and recreation; transportation, labor, youth and education; health and social services, consumer and corporate affairs, the attorney general, municipal affairs, and finance.

In order that these program, or line, departments can operate more effectively and efficiently, the department of public works has been expanded to provide additional services common to all departments. Its new name is the Department of Government Services.

Costs of almost everything are rising. It is our intention to control these effectively. There is only one solution: planned program budgeting.

This is a new method of managing finances. It was first introduced into government by Robert McNamara, former secretary of defence in the U.S. government.

Our analysis of government operation dealt with people, money and systems.

We found a number of areas where modern management techniques can arrest future increased costs.

To summarize, our new organizational structure is divided into two broad functions:

1. Management -- The decision-making function of cabinet will be supported by the management committee, and the priority and planning committee, plus the department of government services.

2. Operations: Programs administered by the departments of government.

Our purpose is to apply to all our expenditures the rigid test of economy. To do this, we are instituting the best available methods of control.

This is in no way revolutionary.

It is simply using common sense in management.

This modern management concept will be the new Manitoba style. We intend to maintain effective government and we intend to manage it well.

In short.... We are Programmed for Progress.