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Mr. Bryce: The total budgets have gone up. I think that is quite right. I think probably we would find we managed to cut things back at the time of Korea and during the austerity program in 1962. We certainly cut back a lot of things during the war. But that is where there was very strong pressure imposed by outside events.

Senator Croll: My recollection is that since the end of World War II, forgetting Korea which was exceptional and forgetting other things which demanded exceptional steps, the history is that we have not cut down on anything. This certainly applies in those items which I have studied in the public accounts. Does it not follow that when we talk about reducing this or that we are speaking in a vacuum?

The Chairman: You are speaking of the aggregate and not of individual departments and programs.

Senator Croll: In the individual programs. In the aggregate nobody can argue the point. But in individual departments I do not seem to find very much reduction. I do not look for too much.

The Chairman: The Department of National Defence is down substantially in these estimates.

Senator Croll: Yes, but that arose as a result of exceptional circumstances. Naturally it could not continue to grow. So it was eliminated. But taking the normal departments, where is the reduction?

Senator BAIRD: Well, with all this welfare requiring an increase in staff and social security and so on—

Senator Croll: My friend and I do not share the same view. If we have to cut down on these services at all in order to cut down on the budgets, then I am not in favour of cutting down on the budgets at all. The point I wanted to ask about it very simple. As I say I am not one of those people who think the budget is much too high. I think it is very reasonable. But we were talking about people and I got the impression from you that you said that good people for government services are hard to find.

Mr. Bryce: I was speaking here, as was Dr. Davidson when he testified before you, about what the Glassco Commission said concerning staff and the appointment of a senior financial officer in departments. It recommended that senior financial officers in each department should be appointed with the approval of the Treasury Board, and I note that Dr. Davidson indicated they had quite a shortage of men qualified for that role. This is what I was referring to. These are men who are good managers and who have the kind of financial judgment that is desirable in the exercise of letting contracts and dealing with staff problems and seeing to it that departments work efficiently.

Senator Croll: He did not say they did not exist in Canada.

Mr. Bryce: No, sir, by no means. What he said was that there was a shortage of them in the public service, and that it was not easy to get them.

Senator CROLL: Well, I suppose the short answer is that we do not pay enough.

Senator Baird: What do you mean by "do not pay enough"?

Mr. BRYCE: You would not expect somebody from the Treasury to agree too readily with that, would you, sir?

Senator Croll: Then why are we not getting them? The public service is not as attractive as is private service because there is no generous expense account, no stock options and no heavy pensions, and the pay is less. Perhaps you can fill in anything else you like. Is it fair to say that?

Mr. Bryce: All of those factors are relevant, although we do have a good pension plan.