

THE CHAIRMAN: We are on item 59, Departmental Administration.

No. of Vote	Service	Details on Page No.	1955-56	1954-55	Compared with Estimates of 1954-55	
					Increase	Decrease
			\$	\$	\$	\$
	A—DEPARTMENT					
59	Departmental Administration.	142	493,651	340,230	153,421	

Mr. FULTON: Before we get down to details of one item, might I suggest, Mr. Chairman, that our job is to examine these estimates primarily from the point of view of dollars and cents in order to see whether the money we are asked to vote for them is used wisely or unwisely, and whether we can suggest other methods or alterations in the estimates. I think that would be one of our responsibilities. So I would like to ask, therefore, whether in setting the amount that is going to be asked for for the purpose of this department whether you start with the amount asked for—the amount that was used in the previous year and start with that, as it were, as a basis upon which to build or whether you make a review. Admittedly you use a set-up, as it were, a pattern already established in the estimates. The minister has told us that. But do you start with this pattern and a row of blank figures in the right hand column, or do you start on the basis of what you asked for and used in the previous year?

Hon. Mr. PICKERSGILL: Before the deputy minister answers your question, I might say that I was once a deputy minister myself of what financially speaking was a very small department. It was perhaps simple because it is small. But I can tell you what we did in the Privy Council office. We took the figures, the actual figures of the previous year. You always find during the course of the year that these estimates do not turn out to be quite right, and you will see how they have been modified during the year in actual practice. For example, you might have had to go back and get another clerk, messenger, stenographer, or something of that sort and spend a little more than you had guessed you would have to do. So whether you spend less or not, on the basis on the year's operation, you would know the actual expenditures for the first six months, because you usually have that information from April, in October or November when you start this process. You then try to arrive at a figure for the next year both in the case of numbers of personnel and in the case of monetary amounts. That is how it was done. Now I think that my deputy minister might continue to answer the question, because this is a big and complicated department.

Mr. THATCHER: Mr. Chairman, before you go to the deputy minister, I wonder if the minister could tell us, along the lines of Mr. Fulton's question, whether this year the Minister of Finance suggested or asked that the estimates should be decreased in any way from last year's figures?

Hon. Mr. PICKERSGILL: The Minister of Finance is very suggestive. I do not think I should say anything here that is not permitted by the rules of the House of Commons. Any letter which the Minister of Finance writes to me, or any expression of opinion he gives to me is, of course, privileged. But in spite of that fact, it would be betraying no real confidence to say that the Minister of Finance told his colleagues—not once but several times—that he was concerned about the rise in cost of the ordinary services of the government,