

the country. It is, of course, covered by appropriations which Parliament passes from time to time, and Parliament could decide to cut it to two-thirds of what it was, but I do not suppose Parliament would regard that as a practical proposition. If you look at the department for which I am responsible we have the same problem with regard to the Mint. It costs several millions of dollars a year in appropriations to operate it and it is true that we make a considerable profit over and above that. Parliament could cut the appropriation for the Mint but it would result in a shortage of coins if they did so. Therefore the test of what is practical is not really a legal one. It is a difficult thing to define what is reducible. Looking at the estimates it is a matter of judgment as to what is regarded as practical management, practical politics and practical economics. That is why I have never felt that one can make as clear-cut a division, as your question would imply. How would we calculate things like the Post Office or the Mint or other services provided for by appropriation?

Senator LAMBERT: There must be a proportion of service to growth that you have to take into consideration.

Mr. BRYCE: I think that is right. It seems to me that in the past the Treasury Board has tended always to concentrate on controlling growth and occasionally reversing it as we did in periods of austerity. At the time of the Korean war we did that. We also tended to concentrate on the provision of capital expenditures for this, that and the other. I remember we had quite a serious problem after the Korean war broke out and we saw it was going to involve substantial expenditure and give rise to boom conditions in the country. The Government at that time directed me to conduct a thorough investigation of our expenditure program to see what could be cut back. We did cut back a fair amount that year. I am not sure whether the record of government expenditures would show that up very vividly in a curve of what our expenditure has been, but the main items which, in my experience, governments have come to find as controllable are the rates of growth and capital expenditure. Occasionally there has been the possibility of imposing freezes on staff so that people who have left the service have not been replaced.

From time to time people with responsibility such as mine have put before the Government proposals to discontinue this or that service. I had better be careful here, but I have put before several governments proposals to discontinue one service and have urged it as strongly as I dared to do as a civil servant. But the Government did not agree with me for reasons which I can understand. There are a few such services that one can argue are not essential but these are exceptions, I think.

Senator LAMBERT: There was a phrase that used to be used during war-time: if it was physically possible it was financially possible. That was Mr. Clark's phrase, I think. Does it not still apply?

Mr. BRYCE: That phrase was borrowed from Social Credit in prewar days. It has a long history. The problem of holding public expenditure under control, or reducing it when conditions seem to warrant it, is one of the central problems of the age and is always fraught with a great deal of very real difficulty, I think, for any government. It is a situation where we cannot easily identify where controls can be imposed.

Senator CROLL: Speaking frankly I think we have not once accomplished this within the last 20 years. All expenses have inevitably gone up rather than down.