

## Objects of Expenditure

In actual fact, however, the books of the Department are kept, and hence the estimating is done, on a breakdown of expenditures finer than the Primary Allotments. These finer breakdowns are known as Objects of Expenditure. For example, under the Vote for Departmental Administration, \$203,200 is earmarked as a Primary Allotment for Telephones, Telegrams and other Communications Services. This amount is made up of four separate Objects of Expenditure: Telephones, Telegrams, Teletypes, and the Carriage of Diplomatic Mail; for practice has shown the need of keeping records of expenditure in this Primary under those four Objects in order that separate expenditure patterns for each may be studied.

The Vote themselves, therefore, are broken down into the finest detail considered necessary and practicable. Almost one hundred of these separate Objects of Expenditure appear as cogs in the Departmental accounting machine. Not all of them apply to each of the Votes, it is true, but enough of them are tagged to each Vote to give us a picture of expenditure considered sufficiently detailed for proper control. For example, the expenditures made each month by each of our Missions abroad are parcelled out into forty-seven different Objects. We consider that division to be sufficiently detailed for present purposes. Should we want more detail, we can easily design more expenditure objects to get it.

The most satisfactory and satisfying method of estimating for expenditure is to do so in the greatest possible detail. The alternative would be to reach up in the air and come down with a figure. It might be a good figure; it might be bad. But good or bad, it could never be supported. And plenty of support is necessary for the latter consideration of the Estimates, first, by the Treasury Board, second, by the House of Commons Standing Committee on External Affairs, and lastly, by Parliament itself.

## Breakdown of Estimates

At this time of year, then, all Divisions of the Department which have a knowledge of any project that will cost money, and all Missions abroad, are asked by the Finance Division — which co-ordinates the work of preparation of the Estimates — to make known their needs and to support them in detail. For the Missions abroad, particularly, this involves a detailed study. They are asked to estimate on the basis of the forty-seven Objects of Expenditure which go to make the amount provided for them each year. To assist them, the Department prepares a statement of the amount the Mission expended under each of these headings during the last fiscal year and during the first half of the current fiscal year. The Mission is asked to estimate what they will need under each heading for the remainder of the fiscal year, and — upon the basis of current expenditure and anticipated local trends in costs — what they estimate they will need to carry them for the full fiscal year beginning April 1 next. And they have to do this not only for their running costs but also for anticipated expenditures on Capital account, i.e., for buildings, structural repairs and furnishings.

While Missions abroad are doing this, the Divisions in Ottawa are likewise projecting themselves forward and evaluating their financial requirements. The United Nations Division, for example, gathers all possible information affecting the Canadian Government's contributions to the United Nations and its Specialized Agencies. The Economic Division, familiar as it is with Government planning in international matters, particularly insofar as assistance to under-developed countries is concerned, prepares its plans for contributions for the coming year. The Personnel Division and the Establishments and Organization Division consider the needs of the Department from the point of view of numbers of staff and their salaries and allowances. The International Conferences Section calculates what amount will be necessary for Canada's participation in conferences anticipated during that year. The Supplies and Properties Division, which concerns itself with the estimates of expenditures from