

is given. He cannot go to the Civil Service by himself and say that he wants 100 men to do various jobs. Is not a request like that always passed on to Treasury Board for approval?

Mr. BRYCE: That is right and they should—and I think they do—require him to justify the staff he has had, and plans to continue having. If you concentrate on just the increases, you may leave a lot of inefficient operations going on. I remember many years ago, when I became Secretary of the Treasury Board, or a year or two later when I had some time to devote to this, looking into the administration of the Superannuation Act. It was not so much a question of needing more staff as trying to see what was required. We found that by changing our systems of operation we were able to save a good deal of money, to get along with fewer people and to transfer those we had to vacancies which arose elsewhere. This was really by more efficient operation. It is that sort of thing we want to make sure is going ahead all the time, so that we are operating as efficiently as possible, even in those things we are simply continuing to do.

Senator SMITH (*Queens-Shelburne*): Mr. Bryce, in connection with this general subject, are you yet in a position to indicate to us whether you think that considerable dollar savings would be involved if and when the major Glassco Royal Commission recommendations are accepted and put in effect? Or is the great saving in the fact that you have a more efficient service which will deal with problems in a better fashion and give the public better service?

Mr. BRYCE: The basic savings, I think, must come from better efficiency, better management. I would hope that some of that would show up in the saving of expenditure, as well as in the rendering of a better service to the public. In all fairness, I think that some of the savings should be passed on to the taxpayer. I have known instances, which I cannot recall at the moment, where that has been the case.

The CHAIRMAN: Shall we go on with the second part that Mr. Bryce is going to deal with the specific recommendations?

Senator LAMBERT: I should like to ask another question, having to do with deficit financing, as such. How many countries, which have not revalued their currencies, have been able to meet the current demand of revenues and taxation?

Mr. BRYCE: Without budget deficit?

Senator LAMBERT: Countries which are not caught in the toils of deficit financing.

Mr. BRYCE: I would like to be able to answer that question, sir, but, in all honesty, I have had my eyes so much on the Canadian problem that I have not made the kind of survey that would be necessary.

Senator LAMBERT: Is it not true that the United States is among them?

Mr. BRYCE: I think the United States is still operating at a modest deficit, and that the United Kingdom is also operating at a modest deficit—less than it looked some months ago.

Senator LAMBERT: I suppose France and West Germany are more or less solvent?

Mr. BRYCE: Oh, yes. I do not think there is any question of their solvency. How far they are really operating at a deficit is partly a matter of how they keep their accounts. We all keep our accounts a little differently, and what we call a deficit is somewhat different from what the United States calls a deficit. Even the United States now puts out about three definitions of a deficit. You can pay your money and take your choice, whether they have a deficit or not, and how much. Frankly, sir, if the committee would like to go into that sort of thing on another occasion, we could try to prepare something for you.