

Financial Administration

of the public accounts and the financial control of crown corporations.

Mr. J. M. Macdonnell (Greenwood): Mr. Speaker, I think we will all agree that this measure is of great importance. People are inclined to say that finance is dull, but unless we manage our financial affairs pretty well they may become rather exciting before we go very far. People are becoming more tax conscious and one hears quite fervent statements made from time to time in private, even about so genial a person as the Minister of Finance (Mr. Abbott) who is associated with these high taxes.

Broadly speaking, I think this is a measure which we should consider with the greatest care. It is very hard of course to be as realistic in managing the affairs of the public as in managing the affairs of a private business. In the case of the private business there is an acid test facing you every day. You have to be on the right side in respect of your business operations or you will come to an end. You will become bankrupt. That is not true, of course, in the case of the government. I am fond of a remark attributed to the late Sir Wilfrid Laurier when he was in the opposition. The minister of finance of that day was a man who had been the head of a business, and he and Sir Wilfrid were great personal friends. Sir Wilfrid said to the minister of finance: Mr. So and So, I observe that you are very worried about your position. You are worried about matters which are under your charge. You are worried about the position of the public finances. Of course it is right that you should take your work seriously but do not worry too much. Of course when you were in business you had to worry because if you did not show a profit your business would be liquidated, but a government can stand an awful lot of ruin, and I would not worry too much. If you do too badly we will defeat you and come back into power and take over things again ourselves.

No doubt that was a comforting reflection and it reminds us of the different test which exists. After all, no government is bankrupt, no government can fail to pay its way, as long as there is a taxpayer from whom it can take a single dollar more. As long as the taxpayer has money in his pocket the government can take it away from him. Therefore there is that great difference, and it is hard for us to bring the same measure of scrutiny. It is an odd thing to say—perhaps it is because of the huge amounts with which we now deal—but if one reads the debates of thirty, forty, fifty or more years ago, one finds that they took money matters very seriously. I suppose their own affairs were carried on in a small way. I remember reading a budget debate—

I have forgotten whether it was Mr. Fielding's budget being criticized by Sir George Foster or vice versa, but at any rate the minister of finance, whoever he was, had produced a very small surplus. It was a matter of a few thousand dollars and the financial critic of that day, using language which we really would not dream of using now, denied that there was any surplus. He said if there was it had been produced by fraud and misrepresentation.

I do not know where the libel laws were. Of course they could not affect him in the House of Commons, but they did let themselves go in those days, and perhaps we are becoming too soft. I do not know how that may be, but at any rate they debated for a whole summer afternoon about these few thousand dollars, and as I say they used words to each other which have now passed out of usage in the house altogether except among some of our brighter spirits who are not really encouraged to let themselves go, as I think perhaps they might. However, as I say, today it is hard for us to concern ourselves about small amounts or even about large amounts. We have come to talk in billions. There is a phrase which has been so often quoted that I quote it now with apology. It has now passed into the language and I quote it without even trying to remember who it was who said it. This phrase—"What's a million?"—has of course passed into the language of this house and we must not suggest that it is the peculiar property of anybody. It is in the air, Mr. Speaker, and we must all perhaps plead a bit guilty to it.

At any rate I come now to consider for a moment one aspect which has become so familiar to us, the matter of surpluses. The gentlemen to whom I have referred argued for a whole summer afternoon about a few thousand dollars. Now we have passed into the hundreds of millions, and indeed I suppose we have passed into an age when I can quite imagine that some of the younger people in the finance department can hardly conceive of a world where there would be deficits instead of surpluses. I was told the other day by a man in the retail trade in a large way that the same thing has happened in business too. He said: You know, in our business some of the younger buyers have had quite a lesson lately. They have found out that it does not always happen that you buy things, mark them up and sell them at a nice profit. They have found out that sometimes you buy things, mark them down and sell them at a loss. He said that it had been very good for them to find that out and that they are setting out now to do better buying and to carry on their business in a better way.