

I certainly agree with that, in principle. I understand Dr. Davidson and other witnesses have spoken of some of the practical problems here, and the committee is probably better aware of the limitations there, now, than I am.

The next two recommendations are:

All departments and agencies be required to prepare and submit to the Executive long-term plans of expenditure requirements by programmes.

And that:

Based thereon, an overall forecast of government expenditures and prospective resources for a period of five years ahead be prepared annually.

I must say I think this is desirable. The Treasury Board now gets some sort of forecasts, and is making more. I am trying to organize a forecast now for seven years, because when we sit down with the provinces over the next year or so in the Tax Structure Committee we are going to have to assess the scale and nature of our expenditures right through to 1971. This is a bit of crystal ball gazing. The problem is to avoid making it a "shopping list," with every department trying to put in those things it would like to have, when the Treasury and the Government do not really want to engage in battles on things that really are not immediate issues. So the problem is to make such forecasts realistic and not to have them full of mere aspirations. I do not know we have really sold this one as yet. Moreover, sometimes it is very hard to get a government to make a decision looking five years hence. There are all sorts of delicate questions to be considered. Let us say, for example, we were going to try to forecast our defence expenditures for the next five years. We do not really know what is going to confront us and what the situation in NATO will be, and all that sort of thing. But, on the other hand, I think all the senior officials are agreed that we should do this internally. Whether the Government should publish its forecasts and have to defend them publicly is quite a different matter. If it is going to have to do this, it is going to have to spend an awful lot of its time wrangling over things that are not really firm decisions.

Senator SMITH (*Queens-Shelburne*): Wouldn't that system be easy to put into operation in almost every department except National Defence? I mean, the ordinary business of government to me is Fisheries and Public Works, and a few more of those things.

Mr. BRYCE: I can assure you we had the darndest problem trying to get the public works program, even for the City of Ottawa, licked into any shape five years ahead.

Senator CROLL: Ottawa is not a good example. Stability is what we want for Ottawa.

Mr. BRYCE: You add up all the things people want, and it comes to an impossible total. You have to wrangle out whose projects are going to be deferred and whose are not. It all takes the time of ministers, who have too little time to do their job. This is one of the big problems in making forecasts which a government is going to have to stand behind and defend.

Senator CROLL: Really, didn't we attempt some years ago to do what we called a bit of cyclical foretelling in budgeting? We said we would do it on the basis of one, two or three years and the answer came in the election immediately afterwards when the Opposition attempted to tear us to pieces by saying we had overtaxed in that year. That was the end. If we were in Opposition we would probably have done the same thing.

The CHAIRMAN: This is a little different. It does not actually involve expenditures or taxation until the particular year in which it arises, but it does involve some forecasting as to possible or probable expenditures.