

having the provinces assume part of the responsibility of administering family allowances.

Although some saving might be made here, there is still the problem of how are we to get government spending down by any large amount. I think it will be agreed by everyone in the house, and probably everyone in the country, that the only way to get taxes down is to get the cost of government down—that is, if we are to have balanced budgets. I think there will be general agreement that taxes are still too high, when they are taking over a quarter of our national income, and that they must come down. With unsettled world conditions we have to insulate ourselves against any possible upset. To put it mildly, the Moscow conference did not achieve the ends it sought, and the Geneva trade conference may not succeed. There may be a recession in international trade and in conditions here and in the United States, so we must get our costs down to guard against the unforeseen possibilities referred to by the Minister of Finance. We must reduce taxation also in order that the individual may have sufficient of his income left after paying taxes to provide for his old age and unforeseen requirements and emergencies such as medical and dental attention, particularly in the case of a family.

We come back therefore to the same question: How are we to get expenditures down? There are certain irreducible increases in government expenditure just now—such as the increased cost of servicing the national debt, the increased pensions and gratuities payable as a result of the war; there are family allowances, and so on. Yet some reduction must be made.

Another suggestion is that we should examine costly items, such as the national film board, which runs into an expenditure of some four or five million a year, in a more critical attitude. We should say to ourselves something like this: We admit that the national film board, and other such institutions, may render a desirable service to the Canadian people, but at a time like this when it is essential that we get our costs down for the various reasons we have discussed, is it not in fact a luxury which we cannot at the moment afford? I think this should be our approach to such spending as that being made on the national film board and other such government activities.

Next there is the question of government publicity. A quick review of the estimates reveals that there are over fifty separate items for government publicity, with a total expenditure of over \$3,000,000, not counting the Canadian information service which has a

separate expenditure for overseas service. There are nineteen separate publicity items in the Department of National Health and Welfare alone. There is competing in publicity in each branch of the department. The total expenditures in that department are over \$350,000. I suggest that a solution would be to set up a bureau of publicity along the lines of the bureau for translations. This at least would prevent duplication between departments, and I think would result in a considerable reduction in expenditure on government publicity. It would also ensure that such publicity as was put out would be non-political in nature. Then there is the question I have referred to already of the potential saving in the cost of administering family allowances. There are various other items one might mention, but time prevents my going into too great detail.

There is one main suggestion, however, which I want to make at this point. In trying to look at the problem analytically I am conscious of the fact that even with the reductions suggested we might save at the most some \$12,000,000 and that we would not have found a real solution—although economies wherever possible should be practised. The most effective approach to, and the most obvious solution of the problem would be the appointment of a budget committee, charged with the responsibility of recommending sweeping reductions in expenditure. May I put it this way: It is surely obvious that each minister and deputy minister must regard their own department as most important; he would not be a good officer if he did not. Therefore he wants his estimates to be granted in full. Again, within a department the heads of branches will equally regard their own branch as most important; they would not be good civil servants if they did not, and so they are not going to recommend reductions in expenditure but fight for every dollar which they consider is required for what they regard as the essential services they are rendering to the country.

When it comes to comparing the estimates of different departments, the Minister of Finance cannot be a superman. He cannot possibly know all the details of every department and say that the estimates of this department are more justified than the estimates of that department. He cannot therefore exercise that police control over expenditure which is so essential if we are to reduce our taxes. For these reasons I think there should be appointed a budget committee. I am not limiting it as to numbers, but a budget committee should be appointed consisting of