

The Budget—Mr. Pearson

the budgetary estimates for 1959-60, which reached \$5,660 million. These expenditures for 1959-60, which the minister gave the other night in the house, are \$165 million more than the amount submitted in the main estimates previously. But it is not likely that that will be enough to deal with the extra expenditures of government, because out of this \$165 million the minister has to find amounts under the Agricultural Stabilization Act; he has to find \$51 million for the C.N.R. deficit; he has to find assistance, if any to western grain producers; he has to find increases, if any, in the salaries of civil servants; and he has to find enough for the usual and further supplementaries. But with all these increases in government expenditures, the capital expenditures, as I shall try to show in a moment—these are the employment expenditures, Mr. Speaker, at a time when we need employment—are not higher this year, they are lower. Therefore, the level of expenditures generally will not likely make any material contribution to a lower level of unemployment but they are likely to make a contribution to a higher level of inflationary pressures.

I have a table here comparing the main estimates—and this is not the kind of comparison which is fair, not in comparing the main estimates of one year with the main and supplementary estimates of another, as the minister has done more than once in the house—of 1958-59 with the main estimates of 1959-60. I have taken the figures for one of those years from the summary of standard objects of expenditure and special categories which is attached to the estimate book which we received some time ago. If you look at the expenditures in this way you get a very interesting idea of where the increases and decreases are. Civil salaries and wages are up in the current year by \$24 million, and the government was going to cut down civil service expenditures. Here is an interesting item. Perhaps this has a bearing on what the hon. member for Essex East said last night in his peroration. He expressed the hope that the minister might move up or, if it suited him, he might move down or, at least, he said the minister should move. The minister and his colleagues are moving all right, because under the item "travelling and removal expenses" we have an increase of \$9 million in the current estimates over last year. I know this government had done a good deal of travelling, Mr. Speaker, but I did not know that it added up to a \$9 million increase in our expenditures.

We remember also how the minister and his friends, when they were on this side of the house, inveighed against the government of the day for wastage on telephones, telegrams,

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publication of departmental reports and all that kind of thing. Well, telephones and telegrams and all that sort of thing are up over \$2 million in 1959-60 and the publication of departmental reports should be down because we have the greatest difficulty in getting departmental reports circulated. We assumed that naturally the Minister of Trade and Commerce (Mr. Churchill) especially was saving money. Well, the publication of departmental reports—

Mr. Churchill: When are you going to steal another one?

Mr. Pearson:—this year is up \$1 million. On exhibits and advertising—I do not know how much of this goes to the McKim advertising company—we have a figure of \$11,800,000 this year; but, Mr. Speaker, when we get to the summary of standard objects that deal with capital expenditures, the things that make jobs—and we have 525,000 people looking for jobs in this country—when we get to buildings and works, construction or acquisition, repairs and upkeep, we have a decrease of \$68 million. So much for the great billion dollar works program which we heard so much about. These record increases, Mr. Speaker, come from a government elected on a solemn undertaking to reduce the cost of government and eliminate all waste and extravagance so as to increase services without raising taxes. At one stage indeed they were going to appoint a royal commission to look into the civil service and cut out all these unnecessary costs.

When the minister told us this afternoon that we have been misquoting and misrepresenting promises which were never made, may I say there is one promise dealing with this which has already been put on the record of *Hansard*. I would not put it on again tonight if it were not for the minister's vehement denial this afternoon that it was ever made. I refer to the promise made on Empire Day, May 24, 1957, over the C.B.C. to the people of Canada by the Prime Minister, and I will repeat once again these immortal words. He said:

The Liberals tell you it is not possible to lower taxes and raise pensions at the same time. Give us a chance—

And he got the chance.

—we'll show you.

But the Minister of Finance says that no such promise was ever made. Lest the minister of National Revenue might dismiss this kind of statement as the bubbling over of an election campaign, let me add some other words also spoken by the Prime Minister. I quote from another statement he made:

My idea of politics is that promises should only be made that can be effectuated.