

The Budget—Mr. Stanfield

Mr. Stanfield: What is the actuality as contrasted with the personal guarantee given last February by the Minister of Finance? It is a deficit on the basis of the then existing taxation of some \$700 million, as contrasted with the balanced budget he personally guaranteed in this house last February after assurances, under pressure, relating to the accuracy of his estimates, after assurances given by him that his estimates were so sophisticated that he would not need to present any supplementary estimates.

• (4:00 p.m.)

Mr. Benson: To supplement the heavy water plant in Nova Scotia.

Mr. Stanfield: I wish my hon. friends would do as much to help in the Cape Breton area as did the group that saved the Sydney steel industry which the government so casually abandoned. I have every confidence that the same group of men could do a good job in other areas, including the heavy water industry. My hon. friend and his associates assured the house last winter that they would hold the increased expenditures to 4 per cent. They started off at 4 per cent and under the pressure of the crisis it went up to 4½ per cent. The actual expenses this year are some 8 per cent to 9 per cent higher than a year ago. That is not bad for this government; only 100 per cent wrong in what it said.

Having experienced all that, what did the minister do in his present budget? He brought forward a budget forecast based on a ceiling of 5½ per cent next year. His forecasts now are based on not exceeding an increase of 5½ per cent next year, again excluding medicare. Even the phraseology is reminiscent of last year when the former minister of finance said that expenditures would not increase by more than 4½ per cent. Actually they went up to 8 per cent or 9 per cent. Despite this experience the Minister of Finance (Mr. Benson) is basing his forecasts of expenditures on assurances, and says that the expenditures will not increase by more than 5½ per cent. He says that this, plus his increased taxation, will produce a balanced budget. My hon. friend ought to be selling patent medicine rather than trying to run the finances of this country. He guaranteed that expenditures would not increase by more than 4 per cent this year. He now admits they will be up 8 per cent to 9 per cent after heroic efforts to control them. Yet he now solemnly assures us that next year he will hold them to an increase of under 5½ per cent.

After the fiasco of last year and the current year one would think that a man in his position should have felt some responsibility to exercise special care so that he would not pour more scorn upon the credibility and confidence that anybody might have in the government of Canada. Surely he ought to have learned to exercise some caution. This is the reason people in this country, including the press, are in fact saying, "Nuts to him". He admits it is only a guess. Gone is all the talk about sophisticated method for estimating expenditures. He admits it is only a guess, and is not based on any actual estimate of detailed costs. There is no suggestion of how he will succeed in holding his expenditures under an increase of not more than 5½ per cent next year. There is not the slightest indication. After an 8 per cent to 9 per cent increase this year with the most rigid exercise of controls, how does he propose to hold these expenditures below a 5½ per cent increase, apart from medicare. I say that he does not have the slightest idea and nobody takes him seriously, Mr. Speaker.

Let us consider the methods the Prime Minister and the Minister of Finance have mentioned, so far, that might be used to control the costs of the shared cost programs. When the Prime Minister spoke in Calgary he gave us a couple of examples of how changes might be made in the administration of those shared cost programs. He suggested that people who are now in hospitals could in some instances be taken care of adequately in convalescent hospitals. This is something which has been discussed in Canada and in the provinces for years and years. It has been discussed for about as long as the hospital plan has been talked about. It has some advantages to the extent that it could be done. It also involves some increased expenditures. I agree, however, that it should be explored and that there might be some savings effected there.

The other suggestion made by the Prime Minister was that universities and educational plants should be used the year round. This is another thing that has been bandied around as long as I have been in politics, and possibly for a long time before that. Some people believe economies could be effected there. I am very much in favour of this being fully explored. Now the Minister of Finance and the Minister of National Health and Welfare (Mr. Munro) are talking about the use of modern business methods and controls in connection with the administration of the hospital plan. If this is all these gentlemen have to