

Supply—Finance

indulged is not going to continue. However, Mr. Chairman, the minister does not seem to take these questions seriously. He assures us that everything is going to be all right if only we have confidence in him. In view of the figures that are published year after year and month after month, the Canadian people cannot be anything but greatly concerned.

In order to offset the excess of expenditure over revenue the Canadian people have to dig into their pockets to meet increased taxation. This has a very serious effect not only upon the well-being of the people and their ability to bring up their families properly and pay their bills, but also on the unemployment situation in this country. As we all know, Mr. Chairman, when people have money in their pockets to buy goods and services, employment prospers. Goods have to be manufactured to replace those that are sold off retailer's shelves.

Naturally, Mr. Chairman, if the Canadian people are called upon to pay more and more taxes, there is less money in their pockets to pay for goods and services. Consequently jobs become fewer. This also is of concern to the public. When taxes on corporations or insurance companies are increased, it is the consumer, the ordinary average citizen, who pays for the increase in the end. In the case of a corporation that manufactures goods and provides services for sale to the public, any tax increase is absorbed by correspondingly increasing the price of its goods to the consumers. In the same way an insurance company absorbs extra taxes simply by increasing its premiums, and the average Canadian citizen pays again. So no matter whether taxes are increased on individuals or corporations, the average Canadian citizen foots the bill.

During the coming year, Mr. Chairman, 1969, which we are looking to with a great deal of interest, because of the importance of our economy to the well-being of average citizens, Canadian taxpayers are going to pay \$845 million more in taxes than they paid this year. They will also pay out an additional \$100 million on increased postal rates, either in the form of postal stamps or goods that they purchase. Ordinary Canadian citizens will have about \$1 billion less to spend on goods and services. I suggest that the result of this will be serious for our employment situation during the next year.

The minister and the former minister of finance, who is in his seat at the moment, seem to consider this whole matter a huge joke. These two ministers have been telling

this house for the last three years that they are going to balance the budget; but they have not done so. After all, it is some little time since they told the electorate that they were going to balance the budget. They are thinking: "Yes, we did say that, but it was not true. Since we have got in again we will have four years to work on it, and probably at the end of that period the people of Canada will have forgotten all about it". Since the minister has unlimited time to speak, this would be a good opportunity for him to stand in his place and tell this committee what specific steps he has taken to curtail expenditures.

● (3:50 p.m.)

The figures which he himself issued last Friday show that the excess of expenditures over revenues is growing month by month. It was 30 per cent more during the first seven months of this year than during the first seven months of last year. This is something which should cause him a great deal of worry. I do not think he even knew about these figures. I believe his department issued them, because he seemed surprised that they do exist. They were issued over his signature but—

Mr. Benson: That is just not true.

Mr. Hees: For someone who knew them the minister seemed very surprised this afternoon.

Mr. Benson: Mr. Chairman, I have been asked to rise and answer the question. I am very much aware that these figures are as they are. I explained to my hon. friend what they meant. If he does not understand it, I cannot do much about it. If he will look back at my budget speech he will see the figures contained therein, and I stand by those figures. I do not think there is any reason to change them. My hon. friend is picking up figures for one month and saying this is what happens in seven months or in a whole year. If we should end up the year with the deficit shown in the first seven months I would be happy, but that will not happen and my hon. friend knows it, because expenditures tend to increase at the end of the year as contracts near their completion.

My hon. friend is making a big fuss about not very much. I consider the matter just as serious as he does. I spend all my time worrying about expenditures of the federal government. I think this government has done more to try to control expenditures than any