

six months we are likely to get another hard jolt to taxation or we will have to face a further deficit of alarming proportions. It is my conclusion that the government has no more control over expenditures than it did before the presentation of this budget. Any budgetary forecasts which have been made are just as credible as previous ones.

Mr. Woolliams: He said he would balance the budget.

Mr. Stanfield: And he guaranteed it personally.

Mr. Lambert (Edmonton West): When we look at what was said it pays to go back to see what ministers of finance have said before as well as what the present Minister of Finance said about what the government was going to do to control expenditures and bring in revenue in order to balance the budget.

Let us go back to October 31 of 1967 to see what the present Minister of Finance said in reply to my former colleague who represented Carleton. This is recorded on page 3715 of *Hansard* for that day. He said:

The hon. member for Carleton spoke this afternoon about priorities and asked what are the government's priorities? Since we became the government we have instituted a system involving a five year forecast under which all departments are now submitting their objectives five years in advance.

Of what advantage is that, Mr. Speaker? These are just figures on paper, for what that is worth.

Mr. Woolliams: They are only out \$400 million.

Mr. Benson: Four per cent; that is pretty good.

Mr. Stanfield: But 100 per cent wrong.

Mr. Lambert (Edmonton West): The minister then added:

Let me assure the hon. member that when it becomes necessary or when we deem it necessary or in the interests of the country to limit expenditures, this is not done in a haphazard method. I am sure he knows that, having had vast experience on the Treasury Board. What is done is that the proposed expenditures of each department are considered carefully and only selected items of the various departments are removed or revised.

If that has been the practice, why are we in the mess in which we now find ourselves? The whole new system of forecasting government expenditures and programs for five years with all the technocracy of the technocrats, the computers and paraphernalia that

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the minister has boasted about has brought the government to the position where they were wrong within a few months to the extent of \$730 million in their expenditures.

Let me then move to page 3776 of *Hansard* for November 2, 1967. The then minister of finance, Mr. Sharp, in answer to the former hon. member for Carleton said:

No, Mr. Speaker. Estimates are simply a ceiling on the amounts which can be spent. They are not always spent, and they very seldom are.

The departments do not spend the estimates? Gracious me, they overspent them by \$730 million this year and in the previous year they overspent them by \$875 million.

Mr. Benson: That is almost as bad as 1958.

Mr. Lambert (Edmonton West): I have used the figure \$730 million, but the minister has yet to consider the supplementary estimates for 1968-69.

Mr. Benson: They are included in the forecast.

Mr. Lambert (Edmonton West): The minister says they are included but we will see when the final supplementaries come in at the end of March.

Mr. Stanfield: You will bring in a whole new set of supplementary estimates.

Mr. Benson: That will be next year.

Mr. Lambert (Edmonton West): On November 30, 1967, the former minister of finance made this forecast as reported at page 4905 of *Hansard* for that date:

The best preliminary forecast I can make of the yield next fiscal year of our revenues under our current tax laws—which of course at this early date is more uncertain than is usual in normal springtime budgets, is about \$9,700 million. With our expenditures at the level of \$10,300 million where we have decided to hold them, apart from medicare and Expo, our budget deficit would be \$600 million. I believe we can and should aim to eliminate most of this deficit.

That was what the former minister of finance said on November 30. At page 5171 of *Hansard* for November 7 the present Minister of Finance in his famous intervention said:

When the Minister of Finance (Mr. Sharp) introduced his supplementary budget proposals last week, he indicated that I would follow up on his remarks relating to expenditures and provide the house with further details as to the efforts the government has been making to restrain its planned expenditures for 1968-69 within a prescribed ceiling.