| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
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| Nouveau-Brunswick | 45e  | 1re  | Discours du Budget | 29 mai 1963 | M. Lestock G. DesBrisay | Ministre des finances | PL |

Budget Speech

Mr. Speaker: On March 5 last, I rose in this house to present the budget for the fiscal year 1963-1964. At the conclusion of that presentation and the remarks made concerning the economy of the province and what I felt to be the best course for the province to follow in its expenditure and revenue program for the year ahead, I made the traditional motion of supply.

Subsequent events give cause for me to rise again to lay before this Legislature the same budget for the fiscal year which began this past April 1. What I said in my budget address of March 5 stands true to-day and I shall not tire either you, Sir, or other horn, members with a repetition of them.

However, I would lake to draw attention to one section of my remarks that day — this is a deficit budget; it is a conscious deficit budget and, as I said at the time, the measures which form the government's program for the future are fourfold in concept:

"Firstly, it is becoming increasingly apparent that welfare services are forming much too large a portion of government budgets, at all levels. The costs of such services in Canada are now about twice as high as in the United States, and this acts as an increasing handicap on Canadian industry which must compete in world market to survive.

"It will therefore be necessary, in the immediate future, to vigorously refrain from increased welfare payments of a non-urgent nature to enable the economy to expand sufficiently to provide for such expenditures. This is difficult to accept, but it must be accepted by all political parties and by all levels of government, if Canada is to survive as an independent nation in the western world.

"Secondly, with the Canadian people demanding both expanded and higher levels of services, they must be prepared to accept the tax burdens associated with such demands. This suggests that governments at all levels must refrain from 'passing the buck' and agree to an allocation of tax revenues which is consistent with the distribution of spending responsibilities.

"Thirdly, the federal government must recognize more fully the national benefits derived from provincial spending on education and economic development. For years, this province has spent huge sums to educate its population, only to see large numbers of them emigrate to other provinces and contribute to tax revenues there. The same applies to provincial industrial development expenditures which have the effect of increasing federal corporation tax revenues.

"In other words, the national interest can be best served only by initiating a greater federal sense of responsibility with regard to spending in these fields. This we intend to press for with all the resources at our disposal.

"And finally, Mr. Speaker, these three concepts must inevitably produce a fourth, in the way of a plan which reflects fully the principle of financial responsibility.

"It is the government's intention to ultimately achieve a balance between revenues and expenditures. However, given the things that must be done, this can¬not be achieved immediately, and our best estimate is that approximately three years will be required to achieve this end.

"To do so, procedures have already been developed to reduce the annual growth rate of the hospitalization plan to less than five per cent to maintain capital spending at approximately its current level, and to develop welfare programs in a manner consistent with the ability of the economy to support them." National events of the past two months have been such as to be, I am sure, of great benefit to the people of New Brunswick. The new government in Ottawa proposes action to rectify many of the economic strains which have caused hardship throughout our country.

We in the provinces have many needs and, as I have just stated, we in New Brunswick firmly believe that the federal government must play a greater part in carrying the costs of development and education. I feel that we have every reason to be optimistic for the years ahead in our relations with the government of Canada.

I aim confident that the tax rental agreement, with which this government at no time agreed, but was forced to accept in 1962, will be subject to re-negotiation.

I am also confident that the Trans-Canada Highway, for which federal assistance would have ceased in December of this year, will now be completed with federal assistance and at an expanded rate over that which previously prevailed.

Such programs are beyond the resources of a province of this size, but with federal (financial support it can be brought to completion and provide a sizeable increase to capital investment in New Brunswick which will reverberate throughout our en-tire economy. This can be accomplished without any expansion in provincial funds normally allocated for highway construction.

I should like now to mention the problems presently facing this province in financial administration.

The province of New Brunswick has been in a unique position since April 1. For the first time in our history, and perhaps that of any province in Canada, we have entered a fiscal year without an Appropriation Act.

Under the provisions of the Financial Administration Act the work and business of government has continued. The ordinary expenditures have continued and public services maintained art the levels approved by the Legislature for the fiscal year 1962-1963. It has been a period of government by special warrant, resuming in expenditures sufficient only to continue basic public services and maintain essential government programs.

The summer months are upon US and much of any government's work must be done during this season. I need only to remind you of such, programs as budworm spraying, construction, highways and others, also field research in the Department of Lands and Mines, to impress this upon you.

I ask the house, Mr. Speaker, to consider this budget in detail, as is the tradition of this Legislature, but I also point out that the work of government must proceed if the welfare of the people is to be served. This can only be done in an orderly land efficient manner with the approval of the Appropriation Act.