

I would have to criticize the budget as it was presented last year. But I would criticize still more the failure of the administration to inform the Congress by midyear of the tremendous upsurge in expenditures, of the failure to stay within the budget that by then had become entirely clear.

I think the Nation as a whole, and certainly the Congress, should have been better informed, and that is a reason for the recommendation that I made at the end of my statement.

Representative WIDNALL. You strongly recommend that quarterly estimates of receipts and expenditures?

Mr. BURNS. It is high time that we move toward it. I think that the management of Federal finances would improve, but whether it does or not, the Congress would be better informed.

Business people, economists, would also be better informed. The task of evolving a sensible economic policy would therefore become a little easier. There are too many uncertainties that we face under the best of circumstances. We should have an up-to-date budget before us; this can be done, and should be done.

Representative WIDNALL. Beyond that, Mr. Burns, do you think of any other improvements that you would recommend for the Federal budget that would help restore public confidence?

Mr. BURNS. Well, I think the President has made a very useful statement in his budget message. I don't recall the precise language, but I believe that the President indicated that he would appoint a group of competent citizens, who would review our present budget accounting, and recommend changes.

The budget has become an extremely complicated document. To some degree that is unavoidable. But when the Federal Government shifts in its emphasis from the administrative budget to the cash budget and then to the national income accounts budget, that is frightfully confusing to everyone, including technically trained economists. I assure you of that.

A review of accounting procedures is long overdue. The President intends to appoint a group, as I understand it, to look into this, and I think it is a very healthy thing to do.

Representative WIDNALL. Dr. Burns, I would just like to make this comment. I don't have any other questions to ask you. But I find that in the area that I represent—that is, northern New Jersey—there is a very deep concern with taxes, and particularly today with real estate taxes. Many people who have poured their life savings into their homes, and they have them free and clear today, and many of these people are wealthy, are being forced to sell them because they cannot afford to stay in them any more because of the real estate taxes that have to be paid.

We are running into a situation, and I don't think people really recognize it, where it is not just Federal taxes or State taxes or city taxes, real estate taxes, or excise taxes. It is a combination of the whole, that people never really add up to find out how much is being poured into taxes for governmental services. I think we are going into a dead end on this pretty soon unless we start to hold the line on spending and cut out some of the frills, or postpone for awhile some of the programs that seem urgent but actually have no priority at this time.