

Restraint of Government Expenditures

One hon. member, I forget his constituency, suggested that we should make no further speeches. I hope other hon. members will carry this debate on for as long as possible.

Mr. Arnold Malone (Battle River): Mr. Speaker, it is always a pleasure to speak in this House in spite of the fact that one must wonder about the sincerity of the government when it talks about a restraining bill, namely, C-19, in the light of the record it has put before the country during, eight to ten years of this administration.

The act to amend or repeal certain statutes to enable restraint of government expenditures may be cited, according to the short title as the government expenditures restraint act. Nothing could seem more hypocritical than for the government to bring forward a bill such as this based on the record it has placed before the country during the past decade, and members opposite must surely feel embarrassed even to have the bill brought before the House. The very fact of a piece of legislation like this coming before the people of Canada implies that if there is to be a restraining bill before parliament, there must have been some reason for restraint. That happens in any kind of human situation. If we are trying to hold something back it is obvious we are recognizing that something has been going in the wrong direction. We have to analyze the situation. If the government requires a bill to cut back on expenditures, it is an open admission that it has been too liberal with public funds.

The placing of such a bill before parliament raises three fundamental questions. The first is: what were the mismanagement practices which led to the necessity of this bill? The second: does the bill have a significant impact on the resolution of the problem? Third: what are the other steps the government might have taken following admission of gross mismanagement of public funds?

I would like to review each of these questions. A year ago the Auditor General of Canada warned Canadians, and I quote him, that the day may some day come when he could "no longer give his approval to the financial management of the Government of Canada." If any business in the private sector were to receive such a shaky report from its auditor the fact is it wouldn't be receiving a true audit. Here is the Government of Canada being told by the Auditor General that he must serve warning on parliament that the accounting of its fiscal policies was so poor that the day might some day come when he could not give his full sanction. Then, yesterday, the Auditor General of Canada placed a further spectre before the Canadian people. Mr. Macdonell said at that time, "I am deeply concerned, on the evidence of two years' examination carried out by the Audit Office, that parliament and indeed the Government of Canada has lost or is close to losing the effective control of the public purse." If there is anything which ought to shatter the confidence of Canadians it is the fact that the Auditor General of this country says to the Canadian people that the government has lost effective control of the public purse. That ought to threaten the stake we have in our nation far more than any of the other threats to this country.

[Mr. Masniuk.]

Mr. Macdonell further states:

Based on the study of the systems of departments, agencies and Crown corporations audited by the Auditor General, financial management and control in the Government of Canada is grossly inadequate. Furthermore, it is likely to remain so until the government takes strong, appropriate and effective measures to rectify this critically, serious situation.

That was the message of the Auditor General. Yet what do we find in Bill C-19? We could not have been given a more band-aid program if we had tried with that objective in mind. The fact of the matter is that there is no real restraint in the restraint program put forward by Bill C-19. In light of such sweeping statements as were made by the Auditor General, condemning the government and this administration, it is like taking a cup of water out of the ocean and pretending to remove the danger of a flood.

Let us take a look at some of the proposals put forward under the guise of doing something in the name of restraint. They talked about abolishing the Company of Young Canadians. Whether right or wrong on the basis of public merit, this is merely a fly speck in federal expenditures. True, the Company of Young Canadians cost the taxpayers \$5,800,000—but I would say "a mere \$5,800,000"—because that represents the removal of only .13 of one per cent of our gross national expenditures. When we consider the \$42 billion that this government is spending the removal of such a small and insignificant amount as \$5,800,000 is almost insignificant. But then, to show the cynicism the government has for a real restraint policy, what they did, in fact, was to offer all the staff people which belonged to it jobs in others departments. So though they talk on the one hand about removing a whole department or agency of government it would be naive for us to accept such a statement because all the staff members were simply relocated in other areas of government.

I am not trying to maintain that the CYC ought to have been retained or to to have been dumped, but rather to call attention to the hypocrisy of the government in claiming significant restraint by that measure alone. While we have a budget of \$42 billion in Canada, if the government wants to talk about restraint it has to talk in terms of billions. If we cannot slice \$2 billion off the federal government's expenditure, there is something grossly wrong. Coming forward with legislation that cuts something of the order of several millions of dollars from government expenditure is tokenism in terms of real restraint. Where is the restraint, Mr. Speaker, when the staff of CYC are offered jobs in other federal agencies? In truth, most of the costs are still there; they are simply hidden in other departments.

• (2100)

May I now turn to another aspect of Bill C-19. The minister may at his discretion cut back funds under the Adult Occupational Training Act. This is another attempt somehow to disguise what is happening. The Adult Occupational Training Act comes under the authority of the Minister of Manpower and Immigration (Mr. Cullen). Cutting back occupational training funds is no saving at all. The Manpower Department interlocks with the operations of the Unemployment Insurance