

The second major area of expenditure is expenditures on the public debt. Not even the Opposition has been so preposterous as to say that we should not honour our obligations in paying interest on public debt. That is not possible for a fiscally responsible Government to do.

The third area is that of payments to Crown Corporations, which account for about 6.9 per cent of the increase in government spending. The majority of this spending was used in increased financing for the CMHC programs to increase new and existing housing projects, to create jobs and to give a stimulus to the housing industry.

Another major portion of it was put forward as part of the Canadianization program. I am not sure where the Opposition stands on this. It depends upon which Conservative is speaking. Some are in favour of Canadianization and others are not.

Another major area is transfer payments to VIA Rail. We have heard time and again the Opposition opposing the reorganization of VIA Rail routes in order to save money.

**Mr. Blenkarn:** They reduced it by 20 per cent and increased it by 48 per cent.

**Mr. Lang:** Again, in this area of Crown Corporations, the Opposition has expressed a desire for the Government not to decrease expenditures. The only time the Opposition talks about restraint is when it is general, when it is easy, and you do not have to touch any program, such as assistance to business, assistance in creating jobs, health or any other program. The Opposition will not get down to specifics.

The fourth major area—and I am going to go through this rapidly because I have only ten minutes—is government operating and capital expenditures. This area is broken down into defence and non-defence related expenditures, which account for 15.2 per cent of the increase in government spending. The Conservatives have made it clear that they think more should be spent on defence. The Opposition is not asking for the Government to make cuts in defence, which account for almost half of the increase in this envelope of government operating and capital expenditures.

In the other area of non-defence related expenditures, the vast majority of expenditures are in the form of wages and salaries for public servants. The Opposition, in many speeches on Bill C-124 and on the six and five measures that followed, indicated that it does not feel salaries and wages for public servants should be held to six and five increases. Clearly, the Opposition is not asking for significant cuts in expenditures in this fourth area of government expenditure.

Very briefly, I have gone over the four major areas of government expenditures. Transfers account for 63.7 per cent of the increase; the public debt accounts for 14.2 per cent of the increase, payments to Crown Corporations account for 6.9 per cent of the increase, and the operating and capital expenditures account for 15.2 per cent of the increase.

I have to ask Hon. Members opposite, as many Canadians are asking when they say they want to hold the deficit in time

of recession and when they say they want to hold down government expenditures, will Hon. Members opposite at the same time be honest with the Canadian people and tell them that this means reduced health care, reduced education, reduced payments to support the unemployed, reduced Old Age Security and reduced defence?

**Mr. Blenkarn:** Reduce the swill in the trough.

**Mr. Lang:** It will mean reductions in the major social programs that have maintained not only the quality of life in Canada but the consumer demand that we have at the present time which has prevented us from slipping even deeper into the recession out of which we are now coming.

I see you are asking me to wind up my remarks, Mr. Speaker, and I will. I have a final plea to the Opposition. When they say, "Hold or cut the deficit, reduce government expenditures", why do they not put some substance behind their remarks instead of only rhetoric?

• (1600)

**Mr. Robert Wenman (Fraser Valley West):** Mr. Speaker, the last Liberal Member to speak in this debate asked some questions. He asked questions about reducing Government expenditure. If the Government would instead create a climate in our economy that would encourage the growth of enterprise, that growth would result in the creation of real jobs that would take people off of unemployment and put them to work. It is that simple.

**Mr. Lang:** Stop giving us those clichés. Give us some proposals.

**Mr. Wenman:** It is good that we have a question period after the speech. I can hardly wait to hear the questions.

**Mr. Lang:** There are no questions.

**Mr. Wenman:** That is right. We are cut from 20 minutes down to 10 minutes. As usual, Members of Parliament are being cut back in speaking on important issues like the economy. I am not surprised.

**Mr. Lang:** Your own committee agreed.

**Mr. Wenman:** This Government's concept of restoring the economy is to create new wealth by borrowing and increasing taxes on the very productive machine that we should be encouraging to create jobs. Its policy is to borrow and borrow billions upon billions of dollars year after year. This is not a new policy or experience; it is a policy we have seen through Bills such as this which have come before the House time and time again without our first seeing a budget or any fiscal planning. The Government simply borrows more and more money.

My constituents do not understand this concept. When they go to the bank to borrow thousands of dollars, they cannot just go back to borrow more money. At one point, the bank manager tells them they cannot borrow any more. At that point, creative employment is turned into bankruptcy, receivership