Restraint of Government Expenditures

weekend. I meet the man on the street, Mr. Speaker, because we must go down to the grassroots level, hear what people are saying and open our eyes. We must be able to understand them better.

I am not pessimistic by nature, you can be sure of that. I have faith in my country's future, but we must wake up, bring about the necessary reforms while it is still time. And one such reform would be to eliminate the provision with regards to family allowances so that they can be indexed even for 1976. If we could finally realize this, we would show that we really intend to build our country on that most precious, fundamental unit that we call the family and Canadian mothers would not be afraid of having another child and perhaps we would hear a little less of suicides and abortions.

• (2130)

[English]

Mr. Maurice Harquail (Restigouche): Mr. Speaker, I do not expect to be as eloquent or as boisterous as the hon. member for Bellechasse (Mr. Lambert), partly because I acquired a head cold while attending ceremonies on November 11. Nor shall I attempt to say much about the hon. member for St. John's West (Mr. Crosbie) whom I congratulate on his maiden speech in the House today. However, since he was not able to stick to the facts and, I would say, distorted the position of the federal government in the field of expenditure, I shall return to the hon. member shortly.

I intend to follow the line taken by my hon. friend from Comox-Alberni who drew attention to certain very beneficial aspects of Bill C-19. I do not mind telling the Canadian people that I am happy to enter the debate this evening to speak in favour of that bill.

On December 18, 1975, among the many steps the government was taking to bring inflation under control, certain reductions in planned government expenditures for the fiscal year 1976-77 were announced. These reductions were categorized as the deferral of planned expenditures, the elimination of planned expenditures, and the elimination of activities. This was not something the political party which happens to hold power was anxious to do. Obviously, with the majority we have in the House and the able politicians we have in this party, we were not interested in bringing in restraint legislation. However, I am satisfied that the Canadian people appreciate the beneficial effects which will come about economically as a result of the steps taken. This bill is an example of leadership, which is what the Canadian people wish us to exercise.

The steps taken to reduce expenditures involve measures to terminate various programs which were felt, in some instances, to have worn out their effectiveness, for example, Information Canada, the Opportunities for Youth program and other agencies. We shall see them, no doubt, in the not-too-distant future in other forms as various aspects of those programs are reintroduced in co-operation with the provinces, picking up where we have left off.

The total reduction in planned expenditures on these and many other items was about \$1.5 billion, of which slightly

more than half corresponded to reductions in budgetary expenditures; the rest were reductions in non-budgetary expenditures. Had these reductions not been imposed, the main estimates which were tabled on February 18, 1976, would have been about \$1 billion higher than they were, and the capital budgets of Crown corporations, which are approved by orders in council and which are tabled in the House, would have been about half a billion dollars higher.

Levels of expenditure affecting some of the items involved in these reductions are regulated by specific provisions in acts of parliament. To effect the reductions it is necessary to amend these provisions.

Hon, members will recall that the bill before us, or a similar bill, was given first reading on March 8, 1976, but was not proceeded with prior to the summer recess or the end of the last session. Consequently a bill with minor revisions, but substantially the same, was given first reading on November 1, 1976. The revisions relate to the effective dates of certain amendments. The purpose of the omnibus legislation now before the House is to provide the authority necessary to enable certain reductions in planned expenditure to be made.

One area of attention is the Adult Occupation Training Act. As one coming from the province of New Brunswick, I say, of course, that anything which can be done to assist our people in preparing them for jobs is to be encouraged. As hon. members know, the Company of Young Canadians is, of necessity, eliminated along with other large programs which we all supported; however, ways will be found, in co-operation with the provincial governments, to provide effective assistance for young people through various other programs.

I do feel we have shown an example of good leadership in being able to put the lid on certain programs and bring in these restraints. We are asking the Canadian people to understand that these measures are absolutely necessary in order to maintain the stability of the economy.

I turn my attention again, to the hon. member for St. John's West. A former Liberal, he sits now as a Conservative who was minister of finance in the province of Newfoundland. This afternoon he took it upon himself to criticize the regional development program introduced by this government. What else could this be but blatant hypocrisy when one considers the amount of federal money being poured into the Atlantic provinces?

In New Brunswick, 50 per cent of the total budget of about \$1 billion is provided by federal dollars through the equalization grant. In Prince Edward Island it is 75 cents on the dollar. In Nova Scotia one third of a total budget of \$800 million is federal money. The same situation exists in Newfoundland where something in the order of 50 per cent of the budget consists of federal money. What has the hon, member for St. John's West got to complain about or criticize when assistance is given to his province on that scale? I fail to understand how the hon, member could take the opportunity afforded by his maiden speech to make such contradictory statements as he did, attacking the very government he has just left, attacking the Moores administration.