

*The Budget—Mr. Nielsen*

Neither I nor my ministerial colleagues on the task force were surprised when we opened the lid of this Pandora's box that we inherited from the previous Government. As I have already said, our expectations were very quickly confirmed. The study team on business services and subsidies alone had to sift through well over 150 distinct federal or federal-provincial programs costing more than \$12.2 billion in fiscal 1984-85. Many of these programs not only have roots in the past, they are like some mutated creature, half plant and half fish, with tentacles that reach deep into the support system of legitimate enterprise-strangling initiative, incentive, and natural growth.

Another perspective of the work that we are trying to accomplish might best be achieved if I were to inform Members that the over-all program review entails the support of some 170,000 person-years annually. It addresses the expenditure of something in the order of \$92 billion. Study teams confronted with matchless complexity of that magnitude had about three months each to come to grips with the subject matter and to bring forward reasonable suggestions or recommendations for solutions. When these recommendations reached Ministers of the task force, care was taken not to cripple good and effective programs in our enthusiasm to eradicate those that good management compelled us to recommend be eradicated.

The simplest and most isolated examples of overlap and duplication were, of course, dealt with most expeditiously. However, these were not always the most insidious or most far-reaching. In a number of cases the solutions to the most vexatious issues lie at the end of a long and sometimes tedious implementation process. The choice of the task force in some instances was to ask for additional study along the lines developed by the study teams, with a subsequent report and decision to come before the fall. In other instances, as in the illustration I used a few moments ago, the solution lies in legislation and will be determined by the priorities of the House. In any case, the decisions of the task force fall somewhere between an evolutionary reform of the management of Government and a more revolutionary one.

There are few overnight remedies to a number of problems that have taken two decades to develop. The choice of the task force has been to bite off a manageable portion this far and to report our initial results as part of the budget package.

Incidentally, I am delighted that the advent of this Budget has provided the vehicle for squelching certain myths about the work of the task force. I have heard it suggested, for instance, that the task force is devising some sort of hidden agenda. Others have said it is operating under a mantle of excessive secrecy like some nocturnal raider intent on slashing this and chopping that. Such talk is nonsense and those who propel it are nonsensical. Such nonsense reflects no appreciation for the uniqueness and magnitude of the task we are about.

Never in the history of Canadian public administration has the political will been summoned to launch a review of such scope. Nowhere in the annals of federal public administration has such a representative cross-section of people from outside

Government been invited into the process in the way that the private sector is represented, both as advisers and analysts, on the study teams. How can it be credibly asserted, as some have tried, that this is a closed process? Its very make-up has assured, in the creation of a private sector advisory committee and in the private sector membership on study teams, an open and healthy exchange of ideas. I am totally mystified how a process can be declared secretive when at the first opportunity an account is tabled of its composition, its terms of reference, and its initial results, running to more than 270 pages in both official languages.

It is ironic that the very nature of the process has caused some mutterings about its impact and implications. Members of the House should understand, if some instant analysts do not, that it was not designed to yield headlines, but to produce results.

**Mr. Turner (Vancouver Quadra):** Author.

**Mr. Nielsen:** I am the author of these words, Sir.

**Some Hon. Members:** Hear, hear!

**Mr. Nielsen:** I have often attempted to give a 20 minute speech in 20 minutes, but sometimes it has to be put on paper in order for that to be done. Now he has diverted me and I have lost a minute.

**Mr. Turner (Vancouver Quadra):** We are grateful.

**Mr. Nielsen:** You should be grateful. I am glad to see you sitting here listening.

As I say, it was designed to produce results. A measured, methodical analysis of more than 1,000 programs may not satisfy some newsmen's lust for drama and immediacy, and may not produce the kind of political grist that others in the House may seek. I do not identify anyone who may have this motivation as being guilty. In no way can this can be described as an overnight smash and grab. All that the initial report of the task force represents is a snapshot of a systematic process, with headlines to follow if and when they are warranted. Rash judgment may be the bread and butter of some—including a few journalists and others who may moonlight at that craft—but there is no place for it in the management of the Government of Canada.

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In the Budget itself we have seen the first step of the implementation of the stacking principle to prevent the "giving with both hands". We have seen the introduction of the refundable tax credit for research and development as an initial step to streamline the administration of R and D programs. We have seen the termination of a number of sales tax exemptions to restore part of our tax base.

All of these measures are directly attributable to the work of the task force and the individual study teams. In terms of dollars, the famous bottom line, you may have noticed that our initial discussions have been translated by the Department of