

*Supply—Manpower and Immigration*

been enticed to come to such areas by the tax incentives of the government.

• (4:00 p.m.)

We should have information about this program. There is a certain amount of confusion about this matter in the minds of many people to whom I have spoken.

Another question is: What arrangements have been made with the provinces in respect of training? Are people being trained under new facilities or are they being trained under the old facilities? What facilities have been agreed in the arrangements between the federal government and the provinces? How many man-hours of training per year have been agreed upon? I understand that the figure is something like 18 million man-hours of training per year. If that figure is not right, the minister can correct me. These are some of the questions the minister should answer.

**Mr. Marchand:** It is eight million days of training.

**Mr. Starr:** My figure is smaller because I said 18 million man-hours of training. Eight million days of training would amount to a great many more million man-hours.

**Mr. Marchand:** For sure.

**Mr. Starr:** For sure is right.

**Mr. Marchand:** You are too conservative.

**Some hon. Members:** Oh, oh.

**Mr. Starr:** I ask this question which the minister should be prepared to answer. If the full time agreed upon is not being used, is the federal government committed to pay for the full time? Is the government, in other words committed, to pay for the full time whether or not it is used? The minister nods, so the answer is yes. These are some of the things we should know. How much is this program costing the taxpayers of this country?

If we have to pay for the full time, why are we not utilizing it to the full? If our young people are being paid training allowances, why are they not being trained? Are we paying for empty days in this training program? The minister contracts for eight million days of training a year and says he will send our young people to utilize this time. But if this is not happening—and it seems that it is not—then we are paying for empty days of training. Even where there is no full participation—in some cases nobody

[Mr. Starr.]

is participating—this government is still paying for the time. The minister agrees that this is correct. I know from what I have heard that the provinces will insist upon full payment whether the government uses the full time or not. We find that as of September 30 there was a drop of 50 per cent in the referrals compared with last year.

**Some hon. Members:** Shame.

**Mr. Starr:** I ask the minister to answer some of these questions and give us a full picture in respect of this huge expenditure. We should know whether it is being fully utilized and whether it is giving full value to the taxpayers of this country.

I wish to spend a short time now in dealing with our economic development. Canada has a rapidly growing labour force, an increasing consumer demand, high potential output and an expanding economy. The question of productivity is causing concern in this country. Unless it is tackled in a realistic way we will find ourselves in a situation in which we will not be able to compete. One of the ways in which productivity could be assisted by this government is through a reduction in government spending, which contributes to inflation; and a consequent reduction in taxation—I hope the Minister of Finance is listening—which adds to the cost of production and has a debilitating effect on productivity. The minister knows these things and no doubt has on many occasions brought them to the attention of his cabinet colleagues.

The advent of compulsory medicare, which according to the Prime Minister will take place on July 1, 1968, for those provinces which can afford it, will put another burden on the shoulders of the wage earner in this country and will further add to the costs of production through imposing additional taxation upon the economy. In view of this and all the other fixed charges which this government has assumed, it now has the choice of increasing income and corporation taxes or slicing some of its free-wheeling expenditures.

We read with a great deal of interest that the Minister of Finance has now been able to face his cabinet colleagues with the realistic aspects of the financial situation of this country and the government is whittling away at these expenditures. It will be very interesting to all of us to learn what success he has met with in overcoming the stubborn resistance of his cabinet colleagues.