

Restraint of Government Expenditures

restraint program was first announced by the former president of the Treasury Board there was a considerable amount of discussion about that matter in the House at that time. Since then we have had a great deal of discussion in the House on that subject, and now we have the bill. I am sure that the House leader of the Progressive Conservative party would be the first to admit that if any criticism could be made of the discussion of the subject matter in the House it would be that this matter has been overdiscussed.

The point that I want to make is that those of us who are concerned about the House of Commons and its apparent lack of credibility in the country, about the way people do not seem to have much respect for the House, must look at the way in which we have been dealing with Bill C-19. We have spent eight days in the House on a program that was announced eight months ago and has been discussed on many occasions since. It seems to me that the opposition parties have a responsibility to do something in terms of speeding up the procedures of the House. Hon. members opposite should know that if they really want to defeat the government and sit on this side of the House, they should come up with policies, programs, efficiency, and common sense.

Some hon. Members: Hear, hear!

Mr. Derek Blackburn (Brant): Mr. Speaker, even though I will make only a short speech this evening—

Some hon. Members: Hear, hear!

Mr. Blackburn:—I am not used to being intimidated by the hon. member for Kenora-Rainy River (Mr. Reid). It was not planned as a result of his latest remarks. We on this side of the House have every right to speak as long as we wish, according to the rules.

Some hon. Members: Hear, hear!

Mr. Baker (Grenville-Carleton): When we see stupidity, we want to talk about it.

Mr. Blackburn: We on this side of the House can sense that many hon. members opposite on the government side, perhaps not all, are somewhat embarrassed by the name of this bill, a bill on restraint of government expenditures, which I think is one of the biggest jokes we have had since I have been here. If you take a look at the proposed budget and estimates for 1976-1977 you will see that we will hit around \$42.5 billion. If that is restraint then I am beginning to wonder what the opposite of it is.

This bill is pretty innocuous. The President of the Treasury Board (Mr. Andras) introduced it with the aim of saving the Canadian taxpayers approximately \$1.5 billion. On the surface that sounds like a very noble and wise thing to do. I say that the bill is innocuous because three of its clauses eliminate the Company of Young Canadians, which is nothing more than a housecleaning measure, three others set a cut off date for all applications for industrial research grants which, as some hon. members have pointed out, were not being used extensively

[Mr. Reid.]

any way, while another clause finishes Information Canada once and for all. Again this is just a final postscript to something we have all known about for several months.

Two other clauses of Bill C-19 deal with restraining the level of adult occupational allowances and the freezing of family allowances to 1975 levels. Other members of my party have already dealt with these, and at this point I do not intend to repeat our views. I think it is sufficient to say that the removal of indexing for family allowances for 1976, which has cost Canadians around \$230 million to \$250 million, was a crass move by the government, designed to pacify those who are under the mistaken impression that all government spending is necessarily bad. That measure, like this whole bill, was just a public relations measure giving in to those in this country and in the House who think that less government is better government. I use the phrase "giving in" because I know that the government realized the folly of removing the indexing of family allowances.

Back in April of this year the government's own Economic Review had this to say about the value of its income support programs:

... there is no doubt that the strength and timeliness of the income support given to Canadians ... between November 1974 and June 1975 were among the most important factors in Canada suffering a much milder recession than that experienced in the U.S.

● (2030)

There is absolutely no evidence to indicate that income support was not needed in 1976. What is most galling is that the government knew this in advance. Just recently the Minister of Finance (Mr. Macdonald) acknowledged in this House that our rate of recovery has not advanced as was originally expected. Surely part of this was as a result of taking \$230 million out of the hands of consumers who needed it most.

At this point I would like to emphasize a point I have been very concerned about throughout most of my political career. There are many people in this country, particularly those in small business sectors, who are always complaining about transfer payments, about our welfare programs, and about social assistance programs of one kind or another. They say they are costly, hard on the economy, and a few have even said they are ruinous to our economy.

However, I wonder how many of these individuals, both in the House of Commons and outside, appreciate the fact that if people on marginal and low incomes, people who cannot work, people who are disabled and people who are legitimately in need of support did not have increasing social assistance benefits, the very people who are complaining would probably be going out of business or would have been bankrupt years ago because low income earners and people on fixed incomes have the highest propensity to spend, and the more they receive—because of the mismanagement of our economy—the more they have to spend. Where do they spend it? They do not fly to New York city to buy fur coats. They go to grocery stores; they go to Main Street, Canada. That is where they spend most of their money. However, the wealthy people of this country often go out of their cities or to big metropolitan