

which would go up by only 7 per cent? One could probably do this by making some further tax expenditures. That was the hon. member's point, and that is the point I am making. I am just suggesting in all sincerity that the minister's assertion that he has restricted the increase in expenditures does not mean anything except in terms of his own definition of what an expenditure increase is.

**Mr. Buchanan:** Mr. Speaker, there is some validity to the hon. member's point, but where do we draw the line? Do we look at all the various tax incentives and tax concessions which are granted to Canadians, whether they be capital gains taxes or anything else, and begin to classify those as expenditures? I am not speaking pro or con on the subject. I am saying it is a new concept. To date what have been classified in this country as expenditures are those ones where the government actually gathers in revenue from the taxpayers of Canada and subsequently redistributes it, whether it be to the provinces, directly to individuals or for the purchase of its own goods and services. To date that has clearly been the concept which we have used in this nation. If the hon. member is advocating that we should move to integrate into that the concept of revenue expenditures, or tax expenditures to use his term, then that is a basic policy question we could spend considerable time debating.

**Mr. Speaker:** Order, please. Bearing in mind the number of members who have been trying to get the floor and bearing in mind that I have to draw a line and limit questions at some point, a balance will have been fairly achieved and a reasonable number of members will have participated if I conclude the questions by recognizing four other members, the hon. member for Bellechasse (Mr. Lambert), the hon. member for Peace River (Mr. Baldwin), the hon. member for New Westminster (Mr. Leggatt) and the hon. member for Dauphin (Mr. Ritchie).

● (1630)

[*Translation*]

**Mr. Adrien Lambert (Bellechasse):** As always, Mr. Speaker, you are showing fairness and I thank you for that. First of all I would point out to the minister, the President of the Treasury Board (Mr. Buchanan) that once again we have been taken by surprise. As far as I am concerned, I have been apprised of those papers only about ten minutes ago. It might not be the minister's responsibility, but I would like to remind him that in future, whenever possible, we would like to be able to examine a little in advance the statement the minister proposes to make in the House, in order to understand the issue before making our judgement and ask a few questions. In any event, I would not like to bore the minister with that—

**An hon. Member:** Agreed.

**Mr. Lambert (Bellechasse):** Well, you agree. Everybody agrees I think, but I would nonetheless ask a question which to me appears to be of great importance. In table No. 1 of document No. 5 on the public debt program, we find a rather

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spectacular increase in the 1968 net debt of Canada, which then was amounting to \$39.622 billion, and which will reach an amount of \$64.672 billion according to the estimates for 1980. Can the minister tell the House if he intends to consider very seriously that public debt increase, which surely has an impact on the economy of the country and the possibility to attract investors here?

Second, does he intend to make proposals to change somewhat or even a great deal the funding methods for the public sector to avoid those phenomenal increases in the public debt, automatically resulting as they do in very big servicing costs for that debt?

**Mr. Buchanan:** Mr. Speaker, first of all I accept the suggestion of the hon. member that hon. members would like to examine the documents in advance, and if I am still President of the Treasury Board next year I would be very happy to make the necessary arrangements as well as for the media. Furthermore, I believe the hon. member was invited this morning—unfortunately, the hon. member was not contacted directly; perhaps he did not receive the message inviting him to lunch, I do not know. Anyway, about the amount of the public debt, and as the hon. member pointed out, it is a heavy burden for the people of Canada and we are very aware of that problem. The percentage of the gross national product has been higher in the past than what the public debt represents. However, I grant him that it is a serious problem; indeed my colleague, the Minister of Finance (Mr. Chrétien), indicated that for the current fiscal year the deficit will be, I believe, roughly \$12.1 billion but next year that deficit will be reduced to \$10.7 billion. So, substantial progress is being made in that direction in an intelligent way, I believe. It is true that it is a very significant amount, and I hope to be able also to reduce even more the size of our deficit for the subsequent year.

**Mr. Lambert (Bellechasse):** I have a supplementary, Mr. Speaker.

**Mr. Speaker:** The hon. member for Bellechasse on a supplementary.

**Mr. Lambert (Bellechasse):** Mr. Speaker, to give others an opportunity to ask questions, I will be brief.

I note very briefly that there is a reduction of \$158 million for the Department of Public Works. I understand the Department of Public Works is now responsible for urban affairs and the Central Mortgage and Housing Corporation. I do not want to embarrass the minister with my questions, but I would like to know if that reduction of \$158 million is applicable only to the housing area or if it affects housing as well as public works in general?

**Mr. Buchanan:** If I remember well, Mr. Speaker, that applies particularly to public works; the other department comes under a separate vote.