

*The Budget—Mr. Nielsen*

by post-war global enterprise. We knew this as members of her Majesty's Official Opposition as we watched and then tried to check the responses of the Government of the day to the energy crisis; as we tried to check the environmental threats that were being posed and, in our view, overlooked, and the failure of the Government of the day to rise to the challenges being brought about by the technological revolution. We watched them as their response stacked program on top of program, inflated Budgets beyond accountability, and multiplied staff resources in many areas until they grew entirely out of proportion with any reality whatsoever. We reflected, too, on the judgments of others such as that of the Auditor General of Canada when he declared that the management of Government in this country was entirely out of control. We waited, Sir, until obviously Canadians came to the conclusion that enough was enough was enough.

We have now been a few months into this process of program review, a process which can be accurately described as an examination, on a government-wide basis, of management practices being applied with respect to those programs. The impressions we formed while in opposition, the observations we made, have been confirmed and with a great deal of emphasis.

Members, I am sure, are aware of the findings of study teams on services and subsidies to business, the study teams on job creation, training and employment and on agriculture which were reported in the Budget in a separate document entitled "New Management Initiatives". Members will also be aware that there has been created by the Prime Minister a special subcommittee of Cabinet to deal with the whole broad range of native policy matters. The Budget presented an early opportunity to describe the work of the ministerial task force in the context of the Government's fiscal plan, and in the context of the Government's over-all strategy for economic renewal. Certain observations at this stage are central to the work of the task force on program review as it has occurred to date.

First of all, where we looked we found what we expected. There was stacking of subsidies and programs to spur investment. That stacking process had been obscured in a scheme of grants, tax incentives, loan guarantees and other forms of industrial aid which take more than 30,000 public servants to keep track of. The Budget addresses one dimension of this issue: The amendment to the investment tax credit will reduce the stacking of this tax incentive on top of other forms of support. The Government will be consulting with provinces and industry about other ways to deal with this stacking phenomenon.

Training programs should not be an end in themselves; assuming people enter these programs with an interest or aptitude for certain kinds of work, it is reasonable for them to expect the authorities to ensure that there are jobs to go with their new certificates. People pin their hopes and the well-being of their families on the expectation of employment which is implied in the offer of training itself. Yet the review of federal training programs revealed that the kinds of training

that are provided are too often not synchronized with the job opportunities in the labour market. The material released with the Budget asserted that the link between training and job opportunities should be strengthened during the renegotiation of the federal-provincial training agreement.

Another observation: Canadian agriculture needs a new impetus and emphasis on the market realities of the 1980s. The agri-food sector must also equip itself to adjust to opportunities that will emerge in the last decade of this century. Effective programs for the development of the industry must be based on a sound appraisal of the market opportunities and the competitive position of each commodity in each region of this country. This orientation is central to the review of agricultural programs and was consolidated in the Government's plans for new market-oriented commodity development strategies by the decisions of Cabinet relating to that particular review. In short, many of the assumptions on which current agricultural programs are based are anchored in the past. This realization no longer reflects merely the views of outsiders looking in on the management of federal Government as it relates to agriculture; it has now been acknowledged and embodied as a new direction in the development of federal policy and programs for the future.

Second, the Government of Canada is under new direction and we are moving decisively to remove the ties that bind federal decision-making to the past. I have just mentioned the new orientation of agricultural programs. Another example deals with the antiquated legislation governing the operations of Revenue Canada, Customs and Excise. The legislation prohibits the importation of goods between sunset and sunrise. The same law empowers the Government to impound a horse and cart, while making no reference at all to a truck. The Minister of National Revenue (Mr. Beatty) will be bringing forward proposals for a new Customs Act and will review the operations of Revenue Canada, Customs and Excise, to deal with these anachronisms and other issues illuminated by the exercise on program review.

● (1540)

Still another example is raised in the business framework legislation administered by the Department of Consumer and Corporate Affairs. In addition to a Bankruptcy Act which has only been tinkered with since 1949, the Department is burdened with a 1924 Copyright Act which could not possibly anticipate the advent of photocopiers, cassette tape-decks, video recorders or personal computers. As the budget documents say, legislative proposals applying to bankruptcy, patents, copyright, the Canada Business Corporations Act, the Trade Marks Act and the Industrial Design Act, have just been moved up on the Government's agenda.

A third observation has to do with the nature of the process of reviewing over 1,000 federal programs and services on a government-wide, department by department basis. None of these programs exist in isolation, although in some cases they are distinctly unrelated to the real world of the 1980s.