

The Budget—Mr. Blenkarn

● (1200)

This Budget is not acceptable because it is not a Budget which the country can live with. Until perhaps November we may be able to borrow the funds required to finance the deficit. When will the tap be turned off? Already brokerage houses are talking about being unable to place the Government debt. At two o'clock today bids for Treasury bills will be opened. I am told that the Government is already interfering in the market-place to keep interest down on the 90-day bill. Last week, on the 180-day bill, the rate was 10.1 per cent. Comparing American and Eurodollar rates today I suspect that on the average on 180 and 365-day bills the Government will have to pay a rate in excess of 10.25 per cent. That situation is only the beginning.

I would like to indicate some of the things I believe should be done. I would like to refer the House to an article by Jeffrey Simpson in this morning's *The Globe and Mail*. Jeffrey Simpson challenges the Parties in the House not to talk just about porkbarreling by the Government but to get down to the issues I suppose \$300 million is only nickels and dimes to a *Globe and Mail* reporter. I did not know that *The Globe and Mail* paid people like Simpson that much. That is the kind of waste that we must point out. This is the use of public money to ensure the re-election of the Liberal Party rather than to ensure jobs for Canadians and progress for Canada. Reference was made to affirmative action programs. That is a \$300 million affirmative action program for the re-election of a Liberal Government. That is all it is.

Ms. Mitchell: Right. For once a Tory has some sense.

Mr. Blenkarn: I would now like to discuss where we are going and some of the things that may be seriously looked at. Before I do that, I would like to refer the House to some of the things we have said in the past. The Auditor General and Comptroller General have also said this. As a country we have to prioritize our national expenses. We have to determine what is absolutely necessary and what is only desirable, in order to determine what we can eliminate or reduce significantly.

The same type of presentation was made by Rowland Frazee in his address to the annual meeting of the Royal Bank. Mr. Frazee said:

Finally, we know that at present the Canadian deficit is worse than the U.S. version, in relative terms. I repeat: government in both countries should take new initiatives to reduce their structural deficits.

How? Well, in the United States, a presidentially-appointed task force has spent the last three years identifying possible efficiencies and program improvements. Some are politically controversial—but they add up to something like 60 billion dollars a year. The task force was staffed, directed and run by private sector businessmen, working as volunteers.

He challenges the political parties in the country to do that type of thing. That is the kind of thing a new government formed by the Progressive Conservative Party will be doing. We will be depending on the private sector and the business community to tell us where we can cut back on the waste, sloth and overexpenditure of government and government programs. We have heard a great deal from them.

Looking at the economic development envelope we see there are a number of grant programs. No study has been made on these grant programs with regard to their effectiveness, to see whether they are really creating the jobs we want in the country and the industrial development we should have. A number of those programs could be eliminated or seriously cut back, combined, and in many cases dropped. There is no evidence that programs designed to ameliorate regional disparity in the country by making grants to companies in a depressed part of the country has improved the regional disparity situation, or in the long run created jobs and improved the productivity of the country.

In the field of transport we see it all the time. I did not intend to mention VIA Rail at this point, but we must seriously consider where we are going in transportation. Can we really afford all of the things we might want? For example, can we afford to have Mirabel airport? Maybe Mr. Simpson thinks that is nickels and dimes, but it is \$50 million a year, nearly \$1 million a week.

Let us study the energy envelope. Our friends from the New Democratic Party have properly criticized the PIP grant system. In many ways that system of directing drilling is best categorized as the dry hole fund. We are spending \$1.6 billion on that kind of work. Perhaps the Minister of Energy, Mines and Resources (Mr. Chrétien) could explain why we are spending money on a dry hole fund and why the funds are not used for finding reserves instead of subsidizing work in the frontier.

Let us go on to the other programs in the Minister's Department. He is here now and perhaps we can get the Minister of Energy up on his feet in a moment or two. Maybe he can explain why the Government of Canada should be buying people insulation and new furnaces for their homes. Is this an expense which the Government of Canada should pledge the credit of Canada for? Is this the kind of thing we should spend money on?

I would like to speak about Crown corporations at this point. Looking at the Budget we see that transfers to Crown corporations this year is up by 22 per cent, from \$3.7 billion to \$4.6 billion. That is an enormous transfer to what are supposed to be business corporations, which are supposed to be self-supporting and in most cases are supposed to pay income tax. The Minister of Energy is responsible for the company which advertises on TV saying it is ours. It is so much ours that it is going to cost us \$460 million more this year, plus another \$60 million on top of that, in order for "ours" to find oil for "ours" off the coast of Jamaica or China. It is time to call a halt, Sir. We are the only country in the world which has a state oil company which we have to continue to feed. Everyone else gets dividends from their oil company; we get a bill.

In September of last year we had a debate with respect to the Export Development Corporation. In that debate Members on this side pointed out things which could be done in export development which would not cost taxpayers a nickel. The taxpayers are putting an additional \$287 million into the Export Development Corporation. That Corporation needs