

Borrowing Authority Act

the most part the promises made will be fulfilled, or that a Government elected to fulfil certain promises will do its utmost to fulfil them, even if all of them cannot be fulfilled within the four-year period between elections. Unfortunately we see something quite opposite as far as the Government is concerned.

I should like to turn to the question of services and subsidies to business, the most substantial part of the Nielsen task force report. The task force indicated that that one area accounted for about \$16 billion of tax expenditures and of direct Government expenditures, a major part of Government spending. As we pointed out, the concessions and tax expenditures made to business in fact exceed by about \$7 million or \$8 million the amount which is now being received from the corporate sector in tax revenues. It seems to me that this puts the whole situation of Government topsy-turvy. One would have thought that they would have been making a contribution to other services rather than taking away from it.

I should like to refer to another important matter. Even though the figures of the Nielsen task force are somewhat suspect, it is estimated that some \$36 billion in tax expenditures is made by the Government of Canada every year and should be very seriously considered in looking at ways of restoring Government revenues or bringing down the deficit. On behalf of all New Democrats I should like to say that we, like most Canadians, favour means which present themselves for eliminating inefficiency in Government and for saving money.

I have been an alternate member of the Standing Committee on Public Accounts. On matters such as defence contracting and government management of its real estate in Ottawa, this non-partisan or all-Party committee has been very tough and effective in terms of protecting taxpayers, working with the Auditor General, and finding ways by which things can be done more efficiently and effectively. However, last week we had the recommendations of the Nielsen task force, which was supposedly to promote efficiency and effectiveness. Instead, it seemed to devote itself mainly to cutting services, which affected a wide range of Canadians, such as a number of grant programs, among other things, that benefited small and medium-sized businesses. At the same time it ignored a lot of tax expenditures and major concessions which, for the most part, benefited very large corporations. We have some real difficulties with those matters.

I should like to refer to the process by which opposition Parties were given a chance to comment upon the Nielsen task force report. I do not find it to be satisfactory. It contained 15,000 pages and goodness knows how many zillions of words. I think we received two copies of the report in my caucus an hour before the documents were tabled in the House of Commons. In that period of time we had to look at these matters and try to come up with some early conclusions. Realistically, we all know that the press looks for response from the Opposition Parties and that because of its deadlines it is not prepared to tolerate an opposition Party which says that the report is very interesting and that it intends to look itself

up for two or three days in order to look through the documents before returning with a reasoned response; we could not do that. The Government is just as aware as members of the Opposition of the way information passes through this Parliament. It should have been aware that effectively it was aiding and abetting; it was encouraging what inevitably had to be a somewhat superficial and sketchy overview of the Nielsen task force report when the opposition Parties first had a look at it.

Since last Tuesday I have had a chance to look at the documents a bit more carefully. I want to comment on the portion relating to services and subsidies to business. Some of the press and academic commentators have suggested that we New Democrats were perhaps a bit quick off the mark in condemning the particular report because of its general comments suggesting that grants and tax concessions were piled on top of each other, that Canadian businesses had become program junkies and that something should be done about reducing the over-all level of the various subsidies to a more reasonable amount. When it comes down to the evaluation of specific programs, some of them are matters with which we as New Democrats agree. Now that I have had a chance to look at the report in more depth, I should indicate that our problem is that it was a task force review, a study team which looked at the mote but not at the beams, if I can use the biblical analogy. It looked at the small things quite carefully and in some cases quite helpfully. For example, I cite the study team's review of the Government's real property management. I found it to be quite constructive and in fact to contain a great deal of useful suggestions.

However, when it came to subsidies and services to business, we began with the major programs of tax expenditures which are devoted to accelerated depreciation, investment tax credit and a number of other areas. In those areas which are worth many billions of dollars, the study team simply did a job that in my view was inadequate. For example, on page 73 the task force admitted in relation to accelerated depreciation: "We are advised by the Department of Finance that there are no accurate means of measuring the incremental effect of this tax measure. While most difficult for Finance to evaluate, our impression based on discussions with them is that they believe this objective is reasonably satisfied". That is the sum total of the scientific evaluation evidence on which the study team made the following decision: "The study team recommends to the task force that the Government consider retaining the concept of accelerated depreciation". According to its figures which are in fact mostly out of date, it reckoned that in 1980-81 that particular concession cost taxpayers about \$5 billion. It used six or seven pages to deal with that particular concession. The study team looked at it in a superficial way but did not really consider whether there were better ways of doing it more efficiently and more effectively.

I know my time is up, but I come back to my comment. If the study team had dealt as seriously with the big programs that have made program junkies of big business as it dealt with grants and subsidies, which if taken away would jeopardize regional development or small business, then I think the report