

Main Estimates

cost of administering and paying for those programs is more than the increase in the gross national product, the provincial government, or the individual citizen, is obviously going to have to pay the difference in the short haul.

My question, then, is this. The minister just now spoke of several hundred people having been laid off. The figures I have been receiving from the Public Service Commission show that some 2,500 people have been laid off or have been given notice that their services will be terminated as of either March 1 or March 31. The minister's own figures for next year show a reduction of 5,700. There is quite a discrepancy, Mr. Speaker, between the 450 the minister spoke about a couple of minutes ago and the 2,500 who have either been laid off or have received notice, and the 5,700 which is the figure in the blue book. Perhaps the minister would be good enough to explain that discrepancy.

Mr. Buchanan: Mr. Speaker, the figures which I gave the hon. member were ones which I received this morning. The anticipation is that the actual lay-offs nationwide will by April 1 be 450.

● (1620)

The answer is that by far the greatest number of these people are successful in getting relocated elsewhere in the public service in jobs which become vacant as a result of various forms of attrition, whether it be retirement, resignation, death or disability. Jobs are opening up continually as a result of the turnover within the public service. As I say, the figures I quoted to the hon. member were figures I received today.

Mr. Gauthier (Ottawa-Vanier): Mr. Speaker, I want to come back with a supplementary question. Did the minister announce a further reduction of 5,000 plus person years, or are we talking about jobs or positions? Second, over what period of time are these person years to be reduced?

Mr. Buchanan: Mr. Speaker, these are not actual employees but public service positions which are being reduced. The bulk of these reductions, according to my understanding, will be accomplished by the end of March or within the next couple of months, so that the vast majority of the people involved with this should receive lay-off notices as we move into the next fiscal year.

Hon. Robert L. Stanfield (Halifax): Mr. Speaker, I would like to follow up the point the hon. member for York-Simcoe (Mr. Stevens) was trying to clear up because it seems to me that the government sometimes has a choice between increasing expenditures and providing a tax credit, and in terms of the over-all financial position of the government—in other words, in terms of the effect of these transactions upon the size of the surplus or the size of the deficit—it comes to the same thing.

However, if one employs a revenue expenditure approach, to the extent one does that it really makes rather meaningless talk about controlling expenditures. For example, if the revenue expenditure in terms of the tax credit with respect to

[Mr. Orlikow.]

family allowances had not been put out in that form but had been directly expended, it itself would have amounted to a 1 per cent increase in expenditures. What I am really asking the minister—and I would like him to comment—is whether it really means anything to say you are limiting the increase in expenditures by whatever—8.9 per cent—when you are fooling around or, to use a more polite word, making adjustments between the expenditure side and the revenue side.

It seems to me that I would not be very far out to say with some degree of firmness that the minister's assertion that escalating the increase in expenditures 8.9 per cent does not really mean anything because he is taking some things from the expenditure side and cutting down his revenues. So when one is looking at the over-all position of the government, it really does not mean anything. It really does not mean anything for the minister to insist that he is restricting expenditure increases by this amount. One has to take into account the kinds of expenditures he is making through reductions in revenues also, which is the valid point, it seems to me, which the hon. member for York-Simcoe was trying to make.

Mr. Buchanan: Mr. Speaker, the hon. member got into what is an extremely interesting area, the whole concept of revenue expenditure which, as the hon. member is well aware, is one which has not really been utilized in Canada. It is used in the United States where each year, other than the basic exemptions in the tax system, it is my understanding that all other forms of what are termed tax expenditures, i.e., forgone revenue by the government, are shown and listed each year. The amount that is lost by registered pension plans, registered retirement savings plans, registered home ownership plans, R and D incentives all of these are shown as revenue expenditures.

To date that concept has not commended itself to us here in Canada. We have not used it. As I am sure the hon. member is aware, my responsibility is related purely to the actual expenditures which are made by the government. If we get into the question of tax policy, we are moving into the preserve of my colleague the Minister of Finance; but from my point of view of responsibility for expenditure ceilings and keeping within those expenditure ceilings, I believe we have accomplished that goal. If the hon. member is saying he does not like some of the changes which have been made in the tax structure, that is a totally different matter which should be taken up with my colleague the Minister of Finance.

I gather from the nodding of the head of the Leader of the New Democratic Party that he would like to see some system of revenue expenditures. That is another subject, the discussion of which would involve a considerable amount of time, and I think it would be an extremely interesting one.

Mr. Stanfield: Mr. Speaker, without going into the ramifications of this concept, will the minister not agree that if he has been able to effect a reduction in expenditures by some tax expenditure, then when one is comparing the extent to which he is controlling his expenditures, this should be taken into account, and would it be not very difficult to produce estimates