and the public sector. Many programs could be cut out, and I have listed them. Other government programs should have increased budgets. But over-all, this government should be concerned about getting rid of the slack in the economy so that we can have virtually full employment. In my view that, more than anything else, would eliminate inflation.

## • (1630)

[Translation]

Mr. René Matte (Champlain): Madam Speaker, I am very happy to speak to the motion of the Leader of the Opposition (Mr. Stanfield), all the more so that, to my mind, this motion really tests seriously the sincerity of the government with regard to its policy on price and wage freeze. Indeed, from the way the President of the Treasury Board (Mr. Chrétien) replied to the speech of the leader of the opposition, we saw that he had little else to say but to try to deceive the House by refusing to make a distinction between waste and expenditures. The minister seems to assume that the two terms are synonymous. Spending is not necessarily being wasteful. I doubt that the leader of the opposition meant that no hon. member could ask or recommend that the government spend some moneys for the collective good.

Then, once again, I think it is my duty to point out that, if the government were expressing its view through the President of Treasury Board, it was completely beside the track because, Madam Speaker, even if one tried to ignore this squandering, one could not because it is too glaring. It would indeed be silly to deny it, that would mean contradicting the Auditor General himself, whose responsibility it is to keep a watchful eye, to study figures and tell us what is going on in the administrative circles of the country, what expenditures are excessive, which ones are downright wasteful, what were the oversights of the various government departments, and so forth. I do not intend to enumerate here all the facts that one can easily learn simply by reading the Auditor General's report.

Therefore, it is no use for the government to try to defend itself by accusing the opposition of pressing for increased expenditures, thereby hoping to conceal its own extravagance. If the government wishes to be honest and candid, it should tell the House which measures it intends to adopt to put an end to the squandering of public money, when this is the case, for it is very important to distinguish between wastefulness and legitimate expenditures. To cut down on expenses, just for the kick of it, or because it was proclaimed, might turn out to be a remedy worse than the evil, the effects of which might be worse than not interfering at all and letting things go as they are. Hence, the important point in my view is not so much to know what must be reduced and where but rather to ascertain which needs are real, essential and indispensable because we cannot tergiversate on this matter, Mr. Speaker. We cannot cut essential spending.

I think this distinction is absolutely necessary if we are to appraise adequately the value of the administrative policies the government may order. This is why, of course, I support such a motion. Well, it is easy to talk about the importance of government restraints but from the start the government should have told us how it wanted to apply these restraints, where they would be applied

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instead of sticking to generalities. Of course, I would not support any cut in expenditure relating to essential public needs. On the other hand, we would support cuts in useless spending. And here we would have liked to know how the government really wanted to apply these restraints to prevent the waisting denounced every year when nothing is done to remedy the situation.

A debate like today's shows, Mr. Speaker, how urgent it is to operate the required changes in our political views for, if there is any government spending, it is because the administration of the nation normally requires it. So there is no need to talk about cuts. If we do, it is because we admit that we indulge in wasteful spending. Of course, there is wasteful spending. May I point out one particular sector, which, I think, should cut its spending, that is the Department of National Defence.

I sincerely believe that a country such as ours needs a brave and alert army. I am not against it, it is a must but I think we do not need that much armament. In my opinion, we should have stopped long ago purchasing bombers, shells and all those devices which are never used and if, unfortunately, we ever had to use them, it would be because of a world catastrophy, when everyone here in Canada would be helpless.

Our geographical position between the world's two giants has been frequently mentioned and everyone knows that we will never compete with either the Soviets or the Americans.

• (1640)

Mr. Speaker, I would consider it a reasonable cut to drop from the national defence budget all expenditures relating to armament equipment for which we do not have much need. It is a justifiable cut, in my opinion.

And I should also take this opportunity to point out how a whole series of expenditures made by the government could be avoided if there were not a systematic tendency to set up in this country some sort of socialism without saying so.

Mr. Speaker, we know that when the state interferes in business which could normally be dealt with by individuals themselves, that always cost a lot of money, that is always much more expensive, we understand and we recognize the need for the state to step in where necessary to make up for possible deficiencies in private enterprise, free enterprise or individual themselves. But apart from that the tendency of the government to impose controls where people themselves could exercise them leads to cost increases, and those increases could be avoided and certain cuts made by avoiding that kind of policy.

Of course, as I said at the beginning of my remarks, ill chosen restrictions could be excessively damageable. For example, there can be no haggling over the need to give old people the money they need to meet their essential requirements. There is no question about that. But there are sometimes other kinds of restrictions which by ricochet could tend to increase precisely what we want to reduce, inflation. That is one of the reasons, once again, to justify this motion blaming the government for not having indicated from the start how it intended to restrict its expenditures.