

Main Estimates

the unemployment insurance fund, in order to cover shortages for 1975-76, has had to borrow \$310 million.

I underline the fact that there is not one member of the House who can have any influence at all in connection with the sum of \$1,702 million which is to be put into the fund. It is one whole year after the event. I put it to members of the New Democratic Party, and to the Creditists as well, that in 1972 the party to which I belong objected to amending legislation which lifted the ceiling of \$800 million on these advances. If that ceiling had been left in place, the government would have been obliged to put forward a resolution in the year in which the unemployment was experienced before they could get the advance, and parliament could then have had something to say about the policies, or lack of them, which had led to the situation. I trust that nobody will spend more than 30 seconds on this particular item, because it is beyond repair. I simply express the hope that the administration will restore some sanity to it.

My last point is this. If one examines page 54 of the ancillary book, one finds that the three levels of government in 1974 took 38.9 per cent of the gross national product. The share of the federal government was 16 per cent, the provinces' share is now up to 11.3 per cent, municipalities took 8.3 per cent, and hospital funds, pension plans and so on took 3.2 per cent. Undoubtedly there was an increase in 1975, but the latest figures we have apply to 1974. This House ought to concern itself about the share of the GNP which goes to public spending. I think the House committees, provided they do not become laden down with a lot of other junk, will be able to digest these estimates. Bear in mind one thing, though. As the minister has indicated, 70 per cent of this projected \$42 billion is either statutory or non-budgetary. In other words, only 30 per cent of this expenditure is really under the control of the Minister of Finance (Mr. Macdonald) or of this House.

Perhaps the proportions should be changed if this House and parliament are to exercise a greater degree of control over year to year spending and keep a closer watch on monetary policy. It is conceivable that both the percentage of GNP which goes into public expenditure ought to be cut down and that somehow we showed increase the proportion of the annual expenditure of the Government of Canada represented by budgetary items, rather than statutory items, so that members might express a more effective opinion as to its validity.

Mr. Max Saltzman (Waterloo-Cambridge): Mr. Speaker, I should like to express my appreciation to the minister for his kindness in giving us a sneak preview of the figures, thus enabling us to reach an early conclusion about them. I should also like to thank him for his solicitude in directing us to the path of heaven. I appreciate there might be some concern on his side of the House, but I can assure him there is no such concern in my party.

I should like to make something clear to the hon. gentleman. He seemed to indicate that there was not much point in the debate. He anticipated, with some degree of correctness, that members to my right in the Conservative party would attack most government expenditure, and he expected that members of the New Democratic Party would be complaining that the government was not spending enough. Mr. Speaker, despite all the years he has been

here, the minister does not understand what is going on. What we object to is the direction in which he is proposing to spend a great deal of money. We do not object because the Parliament of Canada is spending more money on the old, on the sick, on research and on many of the things which make our society a better place in which to live. What we do object to is the kind of spending he is recommending to us today. For example, debt charges have risen by 21 per cent, an increase of more than \$1 billion. This did not come about through an increase in the public debt alone. It arose, quite clearly—as is pointed out in the information paper before us—as a result of higher interest charges. These higher charges are a direct result of government policy, which has been to raise interest rates until they are now between per cent and 15 per cent higher than those in the United States.

● (1550)

The minister then comes to us and says he is doing something about public spending, when there is a 21 per cent increase in debt charges. What good will this do? It may enrich a few people in this country, but what good does it do in terms of redistributing income, helping elderly or sick people, or providing housing? If anything, it has the opposite effect. That is the kind of spending we do not like and to which we object, yet the government seems to be satisfied with it.

We also take objection to a 90 per cent increase in unemployment insurance payments. Not because we do not think payments should be made when people are out of work. We object because we have a government, that is so inept, that so mismanages our economy that the only way parliament can find to avoid disaster is to pay out unemployment insurance instead of creating job opportunities in this country. That is the kind of worthless expenditure that is being made.

My hon. friend from Edmonton West (Mr. Lambert) may quarrel about whether it is correct to put this increase into this year's estimates or into last year's, and that is a point that some attention should be paid to. But the disgraceful thing is that the government has no other way of enabling its people to survive. The government puts in a program of hand-outs rather than providing the employment that it is the right of the people of this country to expect.

The government prides itself on holding its expenditures. It has held its expenditures all right on the elevator operator, the secretary and on other people in the public service who never got a great deal of money. But let us look at how it has held its expenditures in the Prime Minister's office. My colleague from Winnipeg North (Mr. Orlikow) in response to a question got the following information. There are eight people in the Prime Minister's office earning between \$35,500 and \$47,500 a year. There are two people in the Prime Minister's office earning between \$54,000 and \$66,000 a year. That is admirable restraint to show the people of this country! We have had legislation before us that says to people earning \$10,000 or \$12,000, "Restraint on you". We have in the Prime Minister's office, I am sure, talented and able people. But are they that talented and able to be worth six or ten times as much as anybody else? I do not think so. I do not think the country thinks so either, or that the country will be per-

[Mr. Lambert (Edmonton West).]