

through the setting of an arbitrary target for the public service as a whole, or the imposition of across-the-board percentage cuts.

We have thus been able to streamline the public service without impairing its ability to produce and deliver essential services; and we will press on, in the new fiscal year, with improvements in public sector productivity, notably through better and more extensive measurement of performance.

I hope to have established, Mr. Speaker, that the government is in firm control of both the public treasury and the public service. In the framing of our expenditure plan for fiscal year 1977-78, we have taken steps to make that control more effective; and we will continue to do so during the next budgetary planning period, which has already begun.

Restraint must not be confused with stagnation. The government must continue to respond to essential public needs. But it must ensure that its expenditure planning is responsible as well as responsive.

● (1530)

Mr. Don Mazankowski (Vegreville): Mr. Speaker, may I at the outset thank the minister for providing me with an advance copy of the statement he has just delivered to the House, and also for giving me a sneak preview of some of the salient points in the estimates which have been tabled this afternoon.

On the basis of a quick examination of the estimates we have been given, and assuming we can accept the sincerity of the minister's statement, I believe I can say on behalf of my party that we generally approve of the government's desire to moderate expenditures, and the direction it is taking in this regard. I only hope the government's aspirations will be translated into reality. I trust, as I say these things, that in the course of our examination of the estimates and the specific proposals contained therein we shall not discover any surprises or juggling of figures which would contradict the position which seems to be inherent in the minister's message this afternoon.

I should like to take this opportunity to say that we in this party have provided a large measure of leadership in badgering the government to act more responsibly in relation to its expenditures. I trust the minister has paid heed to some of those speeches. I hope he will bear in mind that we have stressed the need for moderation in the growth of federal expenditure for a long time. We have also been concerned about the ever-increasing percentage of the gross national product being extracted by all levels of government, and to judge from the minister's statement this afternoon it would seem the government has taken heed of this aspect, too. I congratulate the hon. gentleman and I trust he will be successful in bringing in the degree of moderation which, I believe, all Canadians want to see, in government expenditures at all levels.

While the government has demonstrated a certain moderation, and while it has imposed restraint upon all Canadians, I have to say it appears to have imposed a lesser degree of restraint upon itself than upon Canadians generally. The esti-

Main Estimates

mates tabled today show that restraint is painful for government, that is, if we can call an additional expenditure of \$3 billion an example of restraint. It must be pointed out that in this case the pain is lessened by exporting most of it to the governments of the provinces. While the percentage increase indicates moderation in spending at the federal level, it is, to some extent, illusory rather than real.

As the minister has stated, we must add at least \$970 million to the planned 1977-78 figure if we are to compare it with the figures for the last fiscal year with any degree of consistency. That \$970 million represents the additional amount the government would have been called upon to pay in fiscal 1978 if it had not transferred the burden of what used to be cost-shared programs to the provinces. While fiscal transfers to provinces amounted to 11.7 per cent in the main estimates last year, we find that the amount shown in the estimates tabled today accounts only for some 7 per cent, indicating a major shift of the burden to the backs of the provinces. If we are to be consistent when comparing actual spending this year with spending last year, it would seem to me that the real increase would be closer to 10 per cent rather than the 7 per cent about which the government is gloating.

When we look at percentage figures, increases or decreases may look somewhat modest. They should not be allowed to obscure the overwhelming sum with which we are dealing. After all, \$45.1 billion is a huge sum of money. As far as the operation of trimming government fat and excessive expenditure is concerned, I have to say that it has been largely a cosmetic exercise. We find the first acknowledgment of the need for restraint in the budget of January 23, 1975. On July 7, 1975, and again on December 18 we were presented with itemized accounts of planned reductions in expenditure. It now seems only normal that we should ask the government to table an up-to-date accounting showing precisely whether and where those cut-backs took place. The government should identify the areas in which restraint was shown, and I urge the minister to do so in order that we may know precisely whether or not a true effort has been made to trim government fat and unnecessary expenditure.

We need only look at the Auditor General's report to find many opportunities of cutting back on waste and extravagance. For example, in December, 1975, the then president of the treasury board indicated that planned expenditure on accommodation for the Public Service had been cut, particularly as a consequence of the greatly restricted growth in numbers. He told us that the provision in the Main Estimates in 1976-77 for the construction of public buildings would be \$30 million less than in the 1975-76 Main Estimates. What did the Auditor General have to say in his report tabled in November? He said at page 17 of the *Conspectus*: "We found that the present use of space exceeds the guidelines by more than 30 per cent." That is the sort of waste which we consider should be looked into and dealt with.

In the area of consultants' services, here again the former president of the treasury board, speaking on July 2, 1975, as reported at page 7182 of *Hansard*, had this to say: