servants is wrong, in two respects: first, in terms of dollars spent and, second, in that it increases the gap between upper income and low income Canadians. This is bad in terms of fairness with relation to income distribution in Canada. In terms of net outlay, the minister would say that does not involve many millions of dollars and therefore does not directly—

● (1610)

Mr. Chrétien: Oh, come on.

Mr. Broadbent: Never mind; I am dealing with the federal government.

Mr. Chrétien: Oh, come on.

Mr. Broadbent: I took the argument of the minister seriously. I hope he takes mine seriously and does not go off at a tangent. I do not have to agree with everything our provincial governments do, nor do I expect the minister to do so, especially having regard to what provincial Liberal governments do.

Let us deal with the federal government. Apart from the unfairness of increasing the salaries of senior civil servants in the $50,000 and $60,000 range, which is bad in terms of distribution of income in Canada and its inflationary effect, it is much more serious because it sets the pattern for the whole economy. I am sure the minister is aware of that argument. In terms of its impact on the economy, it has been much more serious and negative than the inherent unfairness of giving an increasing amount of our total income to an increasingly smaller proportion of our population. It has a major inflationary effect on the private sector and provincial governments which have to increase the salaries of the top 10 per cent of their employees. For that, this government must be held responsible. We have opposed these vast increases for senior civil servants in terms of justice and in terms of the multiplier effect on the economy as a whole.

Third, we are, and have been, highly critical of what we have described as the alphabet soup type of programs designed to provide assistance to industry. The New Democratic Party, independent economists and, indeed, some of the commissions appointed by the government to conduct studies, have pointed out that approximately $250 million per year spent on programs such as DIP, IRDIA, PAIT, and so on, is money down the drain. If all of them were scrapped, it would have a positive effect on employment because there would be a more rational allocation of resources. We would scrap all those programs. We have provided a list before, and I would be glad to add to the few I have just mentioned for the benefit of the minister.

Mr. Chrétien: Schreyer asks us for more money.

Mr. Broadbent: That is another point. If we were to talk about the need for national planning of the whole economy, the problems of Mr. Schreyer might be seen in a different context. However, I would like the minister to stay within the context of federal politics.

Some hon. Members: Oh, oh!

Government Spending

Mr. Broadbent: The fourth point I should like to make is that the millions of dollars the federal government has virtually given to the oil industry and the Syncrude project, both directly and by way of tax concessions, is not the kind of error, both in terms of spending and in terms of national economic independence, in which the New Democratic Party would have indulged.

Fifth, we would scrap entirely Information Canada, an agency we think is without justification. It duplicates the information services performed by information officers in virtually every government department. We would scrap that agency and save the taxpayers some money.

Sixth, both in the House and outside we have criticized the $250 million, approximately, which the federal government has poured into the aircraft industry in Montreal and Toronto in recent years.

Mr. Chrétien: And Winnipeg.

Mr. Broadbent: The minister adds Winnipeg, and I agree. This money has been spent without producing a plan for rationalizing the aircraft industry in Canada. The government will probably embark upon a major blunder in the next few weeks by making a decision to produce fighter aircraft which will have absolutely nothing to do with a national plan developed for the aircraft industry. That $250 million has gone down the drain.

In short, we in this party are in favour of cutbacks in certain areas of government spending and, as I am doing now, we have in the past attempted in the House to suggest some examples. The minister did not deal with this issue in terms of the Canadian economy and I think it has been wrongly argued by the Conservatives, though I understand their argument. The real issue is not more, or less, government spending; it seems to me that the real issue we must face in a mixed economy is not government spending versus private spending, but where spending is going on in the economy, and with what net economic consequences.

To put money into shopping centres and into a whole range of private investment at a time of inflation is no more, or less, inflationary than government spending. So the whole issue of the control of spending, management and planning of spending in the economy is at stake here. It is a wrongly perceived view held by the Conservatives simply to concentrate on government spending; and, if I may say so, it is a wrong-headed defence by the government to reply to the general argument of the Conservatives without dealing with the much more serious and fundamental question of spending within the whole economy. What must be analysed and what we need from the government is a comprehensive approach to the spending of funds both in the private and public sector, and that is not what we have received from the government.

I come now to the statement of the minister about government spending. He says, with some pride, that in the white paper it says there is a ceiling being imposed across the board for next year in respect of federal government spending, although not on a selective basis. We reject that approach. We think it is wrong-headed because it cuts out or reduces good government programs, some of which should be extended instead of reduced or levelled out. It does not deal with the possibility of the need for total elimination of certain other programs. In other