

COPIES OF CORRESPONDENCE RELATING TO
DECENTRALIZATION OF DEPARTMENT OF VETERANS AFFAIRS

Motion No. 35—Mr. Marshall:

That an Order of the House do issue for copies of all minutes of meetings, correspondence and telegrams having to do with decentralizing the Department of Veterans Affairs to any province.

Mr. Paproski: Stand.

[English]

Mr. Speaker: Shall the remaining notices of motions for the production of papers be allowed to stand?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

[English]

GOVERNMENT EXPENDITURES RESTRAINT ACT

AMENDMENT TO REMOVE CERTAIN RESTRICTIONS RESPECTING TRAINING ALLOWANCE RATES

The House resumed from Tuesday, November 16, consideration of the motion of Mr. Andras that Bill C-19, to amend or repeal certain statutes to enable restraint of government expenditures, be read the second time and referred to the Standing Committee on Miscellaneous Estimates.

Mr. Jake Epp (Provencher): Mr. Speaker, I should like to continue the remarks I began last night on Bill C-19. I see that since last night the Minister of Transport (Mr. Lang) has been driven out of the House. He is not here today to listen to specific references to that part of the bill which seeks to repeal part of the Railway Act. That, possibly, is not too much of a tragedy in the unfolding saga of this government. We find now that the Minister of Consumer and Corporate Affairs (Mr. Abbott) has taken the advice of the Minister of Transport and is finding ways and means of getting around the country in rather unconventional ways.

● (1620)

Some hon. Members: Oh, oh!

Mr. Allmand: Cheap.

Mr. Hnatyshyn: It is cheaper than the other one.

Some hon. Members: Hear, hear!

Mr. Epp: It is obvious that you touch a very sensitive nerve on the other side the minute you mention the functions of this government from day to day. They immediately rise to their collective defence. They would probably be better off if they would duck low, put their collars around their ears and hope that the storm subsides. However, I hear from my constituents that that will not happen.

Restraint of Government Expenditures

With regard to Bill C-19, I mentioned yesterday that the NDP constantly say that the government should intervene in the market-place and expand public spending. While they say that, the Premier of Manitoba has presented to the Manitoba legislature and the people of Manitoba some clear-cut programs by which he hopes to cut the spending of the government of that province. The Premier now finds he is not receiving the support of the federal NDP caucus. In fact, he is not receiving the support of the Manitoba Federation of Labour which felt that once the NDP was in power there would be an endless financial resource from which they could draw.

The Premier of Manitoba is now finding out there is not a bottomless financial resource, that he has to start balancing budgets and, in fact, has to start paying for the large deficits his government has incurred since being elected to office. The stark reality of holding office in Manitoba has brought the Premier of Manitoba around to the fact that you cannot continually spend without reconciling to yourself and the people you are governing where that money is going to come from. The bills finally come in, and they have to be paid.

Speaking of restraint, there is one matter that is central to this issue. Over the past six or seven years Canadian government spending at all levels has increased from approximately 34 per cent of the gross national product to a point which now exceeds 40 per cent. Municipal governments, having to provide infrastructure, are now facing tremendous difficulties in that their revenue base has not expanded. Therefore, they have to increase the amount of taxation on property. Right across the country property taxes are increasing to the point where Canadians are not only faced with high mortgage rates but a high cost of real property taxes. For many people, especially Canada's young married people, the dream of owning their own house is becoming a rather dim prospect.

We are now at the point where government at all levels is spending in excess of 40 per cent of the gross national product. We hear a lot today about Canada's price and wage control program. I submit that if you give any level of government 40 per cent off the top, they are going to control the decisions that people are making in the private sector. The credibility gap which the government now suffers stems from the following: on one hand the government is now spending in excess of 40 per cent of the gross national product; it then comes in with a wage and price control program. In an effort to reduce the inflationary psychology, they place a maximum level on the extent to which salaries and profits can increase. What they forget is that government must be government by leadership.

Yesterday in this House the Minister of Finance (Mr. Macdonald) indicated that it was his firm belief the government would not exceed its target spending for this fiscal year, namely 14 per cent. Canadians already thought that the spending of the federal government was too high before the wage and price controls were brought in. Added to that, the government has increased its spending at a higher rate than they allowed Canadians to increase their salaries or Canadian business to increase their profits.