

Supply

Other aspects of government must be encouraged to create competition. Competition can be created within government, within departments and also between governments and the private sector. Competition will also breed efficiency.

In addition, a very important aspect of spending in the federal domain will be to affix responsibility. In other words, line managers should be responsible for their expenditures. We should also consider remuneration partially based on successful management of programs.

I had a very interesting tour of a Darlington nuclear reactor which is in my riding. I was very surprised at what Ontario Hydro of all places has done. It has actually made individual managers responsible for the number of kilowatt hours produced in that plant. If the managers are under they lose part of their bonus. This marks the way we should be dealing with our expenditure programs as well.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, when the hon. member started his intervention he said he was reflecting on how Canada got to be in the debt situation it finds itself in today. He was somewhat perplexed. He was wondering who had control of the cheque book.

I am a little amazed this member would think the Reform Party would be so naive that we did not know who had control of the cheque book. Does the hon. member recognize the names of MacEachen, Turner and Chrétien who all had control of the cheque book in the seventies and the eighties while this debt was being racked up?

I find it amazing that Liberal members in the House will ask how did Canada get into the situation that it is in today and will start pointing fingers at the Tories and others and not be willing to shoulder the blame themselves, because the blame falls squarely on their shoulders.

Mr. Shepherd: Mr. Speaker, I thank the member for his comments. It is unfortunate we have to take a serious matter such as government financing where we are all trying to find solutions to Canada's debt problems and turn it into a political charade.

The reality is all western countries: the United States, the United Kingdom, all OECD countries, during this same period of time ran significant deficits. It is not a unique Canadian problem. It is not related particularly to the Liberal Party, the Tories or anybody else. It was a symptom that occurred in North America and Europe, in fact, in most western countries.

I am trying to find out why it happened so it is not repeated. That is enough of an acknowledgement. The reality is we cannot talk about the past forever. We have to get on with the future, which is what the government is trying to do. It has a very good plan and it should be supported.

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I am pleased to be able to ask a question. It is absolutely amazing that the hon. member does not understand how it happened. It is really very simple how it happened. If the government spends more than it takes in it will end up in a deficit situation. If the government keeps doing that every year, time and time again, the answer is that the debt gets larger and larger.

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The member then makes the comment that perhaps since all the other nations are in that situation Canada would be in that situation too. This reminds me a little bit of a farmer who says: "Just because my neighbour drove his tractor into the ditch I should too". That does not make any kind of sense at all.

I suggest to the hon. member that the way this happened was that governments spent more than they took in. When are we going to be independent and responsible to the taxpayers?

Mr. Shepherd: Mr. Speaker, I thank the hon. member for his comments. I do not think he can give me any lessons in mathematics on things I already know and that is obviously that deficits occur by the very fact that more money is spent than is brought in.

The essence of the member's question is that he does not seem to have been sitting in this place for too long or maybe he has been away. The reality is that there are significant reductions in government expenditures. The Western Grain Transportation Act will affect his constituents. The Atlantic freight subsidies have been eliminated. There have been substantial changes in attitude toward privatization. Canadian National railway is being privatized. Numbers in the civil service are being reduced. Therefore, the reality is that expenditure reductions are occurring.

The government is taking a balanced approach to this. I do not think it can cut to the point where it would actually push the country back into a recession. The growth rate in the economy right now is somewhere between 3 per cent and 4 per cent which increases government revenues. Therefore, it is a balanced approach between expenditure reductions and, at the same time, attempting to get the economy to grow.

The Reform Party would take a slash and burn approach so that the 3 per cent figure would turn into a recession and everybody in the country would be back on the unemployment lines.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I want to make a couple of points.

First, I would like to try to distance his comments from the Prime Minister who was finance minister as these deficits started increasing dramatically. If the member would at least acknowledge that an error was made at the time and that the