

Restraint of Government Expenditures

● (2110)

The Minister of Agriculture is busily trying to sell agricultural products abroad, but travels to the heart of the beef producing country and tells the people there that beef consumption makes people ferocious, and as an example refers to the people in Argentina where there is a high consumption of meat and everybody is killing each other. How can we have a viable agricultural industry when the minister is out undermining the very confidence in this industry?

It is important to know that this year we are importing 90 million pounds of offshore beef into Canada. This is a record that is certainly causing some concern in the western part of Canada. This is of particular concern when we know that the Minister of Agriculture was also instrumental in initiating a cattlemen's war with our American neighbours, while at the same time telling people to eat less beef because its consumption makes people ferocious.

The fact of the matter is that our meat industry in Canada is our third largest, of the order of \$2.5 billion per year. It ranks second in cost of materials used, it employs a work force of some 31,000 people, and contributes in tax dollars \$20 million a year. The government talks about restraint on the one hand, while on the other hand the minister in charge is out undermining confidence in our third largest manufacturing industry. That is what the Minister of Agriculture is trying to destroy.

Let me remind hon. members of increased Canadian importation of pork, poultry and beef over the past two or three years. I suggest that this has not occurred without some deliberate intent. It is my view that the Minister of Agriculture is losing out in this regard to the Minister of Industry, Trade and Commerce (Mr. Chrétien), and I suggest that in view of the last negotiations of GATT held in Tokyo.

This has been explained very well on a couple of occasions by the Prime Minister (Mr. Trudeau) when he spoke in the maritime provinces, again in southern Ontario, and later on CTV, telling the Canadian people that the anti-inflation program of his government was working, and demonstrating that by the fact that food costs a year ago had risen 10 per cent and this year have only risen 6.2 per cent. Everyone in this House knows that when food costs are itemized out they are in fact as high this year as a year ago, except in respect of meat products. Those products are cheaper only because of the excessive importation of offshore meat. In this way the Minister of Agriculture is undermining and destroying confidence in the beef-meat industry in this country. I suggest the minister has done this in order that the Prime Minister and his government can demonstrate to the consumers in the large cities in Canada that the anti-inflation program is working.

Some talk about the government being divisive. That is obviously demonstrated by the fact that the government is willing to trade one part of Canada off against another part. It is easily understood how those greedy for power would adopt such a position, particularly when you recognize that there are more members of parliament from Montreal and Toronto than there are in the maritimes and the Territories. This govern-

[Mr. Malone.]

ment will make such a trade-off as it believes it is better off if it can count on the consumer vote in the large cities. It is about time the government faced up to the fact that if the country is to be held together there must be that sense of fairness from sea to sea based on the kind of principles set forth when this country entered confederation.

§ If the government really wants restraint why does it not do something about abolishing the excessive spending by Crown corporations? I would compare the record with the United States where there is considerable efficiency in terms of domestic production, yet there are no Crown corporations there unless you consider Amtrac as a form of Crown corporation in the United States.

Had the government really wanted to save money it could have done away with its concept of Petro-Can. In that way it could have saved \$5.5 billion. Let me quote what the Auditor General said in his report in this regard. The government came up with the idea that it could run the oil business more efficiently than the oil companies. Let us just look at what has happened with the post office. This government has not got the ability to run anything efficiently, yet it introduced the Petro-Can program. At that time in my province, because of a flip-flop in tax regulations, approximately half of the Canadian owned independent drilling companies left to go to the State of Montana because they had no confidence in what was happening in respect of the tax regulations here.

The Auditor General said this in respect of Crown corporations:

In the majority of the Crown corporations audited by the Auditor General, financial management and control is weak and ineffective. Moreover, co-ordination and guidance by central government agencies of financial management and control practices in these Crown corporations are virtually non-existent.

That is what the Auditor General says about Crown corporations, yet the government has the audacity to come forward with a concept like the Petro-Can concept of a year ago, and then talks about a restraint program, fixing family allowances at last year's level and doing away with the Company of Young Canadians. If that is what the government feels is a good restraint policy then I would ask members of the government to talk to the people and find out whether they think this is genuine restraint.

The government wants the same efficiency in the oil industry in this country as it has in the Post Office. This government thinks that Petro-Can will provide some means of finding more and greater sources of hydrocarbons in both the solid and fluid form, yet in fact the government is unwilling to initiate general restraints on its own spending. The government's restraint, little as it is, is heaped upon the people.

The government intends to save some \$230 million by putting a freeze on family allowances. This means that the people of the country are being restrained, not the government. Bill C-19 will freeze family allowances. Just a short time ago the government changed the rules and made family allowances taxable. I do not dispute that concept, but the fact of the matter is that at a time when inflation is increasing the people who will bear the burden of the government's restraint pro-