

The Budget—Mr. Blenkarn

Perhaps that puts us among the big nations of the world, but on a national accounts basis spending this year by the Government will be in excess of \$100 billion. Somewhere along the line there is room for paring down, prioritizing and reducing Government expenditures, overlapping and waste.

If there is anything the Government must do, it must come to grips with its spending, with its bureaucracy, with its size and with its total control of the country. It must be reduced. It must take a slimming lesson.

Mr. Evans: Mr. Speaker, I was very interested in hearing the remarks of the Hon. Member for Mississauga South (Mr. Blenkarn) concerning what his Party would do if it were in office. From a rough calculation of what he said, I totalled up somewhere in the range of \$4 billion to \$5 billion of either revenue loss or expenditures. Given his parting comments, which were a plea for a reduction in the size of Government and its expenditures, could the Hon. Member tell us how he would reduce Government expenditures and at the same time increase the revenue loss or expenditure outlay by \$5 billion? If he would not increase the deficit, how precisely would he pay for these suggestions?

Mr. Blenkarn: Mr. Speaker, all of us are around the City of Ottawa, we see the size of Government offices and Government activity. All of us know by taking a look at various Government departments that indeed the only federal Government department this year which keeps within the six and five guidelines is Parliament Hill. The expenditures of the rest of the Government departments are increasing at 9 per cent, 10 per cent and 12 per cent. Indeed, on average expenditures of Government have increased by 12 per cent this year.

If the Government kept within its own six and five guidelines, it would have on a national accounts basis \$6 billion. Does the Hon. Member for Ottawa Centre really believe that the Government should be paying for insulation programs? Does he really believe that the Government should be paying for the conversion of oil furnaces to gas furnaces when energy prices and energy supply situations have dramatically changed in Canada? He could go through one program after another. Does he really think that we need CBC-2? Does he really think that we need all the foreign aid expenditures we have had? Does he really think all these are absolutely necessary? Does he put those ahead of making jobs available for Canadians? I ask him those questions.

Mr. Evans: Mr. Speaker, it is unbelievable. Is the Hon. Member saying that, by staying within the six and five program, the Government would suddenly generate \$6 billion? Can he tell me how he would cut back on transfers to people, which comprise 50 per cent of total federal expenditures? He talked about cutting the Public Service and that by doing so somehow we would generate \$6 billion. That is absolute nonsense. That would mean that the wages and salaries of the entire federal Government make up its entire budget. If we cut the entire Public Service to zero, we would save about \$10 billion out of the entire budget. In that event there would be no Public Service.

Mr. Gauthier: There would be nothing.

Mr. Evans: That is right, there would be nothing. From where will this mythical \$6 billion as a result of staying within the six and five come? Would he cut back on Old Age Security? Would he cut back on pensions? Would he cut back on transfers to the Provinces for medicare, education and other items?

Let us get down to brass tacks. Given that we have a deficit and debt, that there is interest on that debt and that we have to pay that interest, how would he suggest we hold the interest payments on the debt to 6 per cent?

Mr. Blenkarn: It is not very difficult when we are required to keep expenditures down to the six and five level—and the Government is great at boasting about this—to eliminate or reduce expenses by taking away from programs sufficient amounts to keep within the six and five. There is no reason the Government cannot do that.

If we take a look at employment increases and salary increases by the Government where it moves people from one grade to another, the Hon. Member knows that the expenditures of the Department of Finance for people are up 20 per cent. There is no evidence of any control over the massive growth of Government. It continues to take and grow and grow. By its own figures in the budget, according to the Government, it grew last year at the rate of only 16.8 per cent. It says that this year six and five means 12.5 per cent and that somehow it can be kept down to 5.8 per cent next year. If the Government can do it next year at 5.8 per cent, why cannot the Government do it this year?

● (1210)

[Translation]

Mr. Gimaiel: Mr. Speaker, I have a question for my colleague from Mississauga (Mr. Blenkarn). Not long ago, following a speech by the Hon. Member, I spoke in the House about the state of the Government's deficit, and I said there was no reason to be overanxious about what is referred to as the national debt, since most of the money borrowed by the Canadian Government is borrowed from Canadians. This is not a national debt contracted abroad but within the country, a reallocation or redistribution, as it were, of funds among the people of this country, to prevent serious social problems, and so forth. The Hon. Member sent me a letter in which he stated very clearly: there is a point here I would like to clarify, namely that the provincial debt is mostly contracted abroad. I agree, but I would like to point out to the Hon. Member that in my speech, I was not referring to loans contracted by the provinces but to the federal deficit and to loans contracted by the Canadian Government.

The second point which seemed rather interesting—I have been unable to get the exact figures and I wonder whether the Hon. Member has them—could he tell me what percentage of loans for the year 1982-83 were contracted by the Government