Although the committee suggests it is necessary to obtain the co-operation of the provinces, it is clear that the federal government has felt free to intervene in this area without the specific consent of the Government of Ouebec.

Quebec protested, to no avail, against the creation of a Department of Forestry, quite properly seeing this as an intrusion in one of its jurisdictions. Quebec did not sign the National Forest Strategy. Since 1991, after the demise of Meech Lake, no Quebec ministers have been involved in the Canadian Council of Forest Ministers. Quebec has just released its own strategy for forest management, as is its right in matters over which it has exclusive jurisdiction.

How can the federal government legitimately intervene in an area that falls under provincial jurisdiction? How can it claim to act in the best interests of Quebecers, when for years it has ignored both its own Constitution and the demands of successive governments of Quebec?

Obviously, the Liberal government's stated desire to put an end to overlap and duplication would be a perfect excuse for getting rid of the Department of Natural Resources or letting provinces opt out of federal programs that involve natural resources.

Perhaps I may compare the mandate of the Department of Natural Resources of Quebec with that of the Department of Natural Resources of Canada.

• (1615)

Based on the analysis of federal-provincial overlapping carried out by the Treasury Board of Canada in 1991, the activities of the federal Department of Natural Resources and its Quebec counterpart overlap to a large extent.

That is why I would like to propose an amendment to Bill C-48, an amendment respectful of the Constitution of Canada and respectful of Quebec's traditional demands. Here is my amendment. I move, seconded by the hon. member for Frontenac:

That every word following "that" be struck out and replaced by the following:

this House refuse to give second reading to Bill C-48, an Act to establish the Department of Natural Resources and to amend related acts, because the principle of the bill does not provide for granting the minister the power to compensate Quebec if the province decided to exercise by itself the exclusive jurisdiction over natural resources it was conferred under the Constitution Act of 1867 and 1982.

The Acting Speaker (Mr. Kilger): The Chair was consulted, and the amendment is in order.

[English]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia): Mr. Speaker, I would like to begin by congratulating the government for adopting Reform policy with respect to departmental consolidation. Since we are dealing with the legalization

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of a fait accompli I should probably be thanking the previous government for this recycled bill, a toast to absent antagonists.

Having said that, the government is pretty unclear on the concept. As a matter of fact the government is pretty unclear on almost every concept, but I will leave that for another day.

The object of consolidation is to increase managerial efficiency and save money. What has been accomplished? Instead of 10 assistant deputy ministers there are now seven, which is commendable. Minor economies have been made in human resources, accounting and so on, but the total decrease in corporate overhead has been only \$16 million, 1.6 per cent of the department's annual budget. The elephant laboured and brought forth a mouse.

The department has expressed pride in the fact that the amalgamation was done with only minor staff reductions. The act states in section 8 that all employees in the old department will occupy their same positions in the new department. Perhaps this makes some sense in the short term with respect to clerks, typists, technicians and other lower rank staff who would merely swell the massive ranks of Canada's already existing unemployed. Is there really no scope for reducing the number of middle managers and technocrats to conform with today's economic reality?

• (1620)

This department, which deals almost exclusively with matters of provincial responsibility, has a \$1 billion budget and about 5,000 employees, of whom 3,000 are right here in Ottawa. How can that be rationalized?

I know that the uncontrolled growth of bureaucracy is not a disease that attacks only governments. I have worked for or been associated with a few multinational resource companies and they have the same problems. They also have built-in safety valves which prevent such growth from destroying them, as it surely would if it went unchecked.

Every few years the boards of companies like Exxon, Shell or Noranda become aware that the ratio of payroll to gross revenue is grossly out of whack. Department heads are summoned to the CEO's office and the word goes out: too many engineers, too many planners, too many people engaged in redundant programs, too many assistant managers, too many professionals who never leave their offices, and so on.

The axe is swung and corporate survival is assured. It is not pretty and it is not nice but it preserves not only the company but also the jobs of the people who actually harvest the resources and produce corporate and national wealth.

Up to now Canadian governments have not responded to these same economic imperatives. With no apparent limits to their capacity to increase income and no real motivation for cutting expenses, they simply raise taxes, or more recently borrowed unimaginably large sums of money.