

Estimates

Mr. Munro (Hamilton East): Mr. Speaker, perhaps the hon. member could be more specific. Obviously, if the office I have in the federal building in Hamilton under the Department of Labour has been sending out information of the nature described by the hon. member, this would have nothing whatsoever to do with Information Canada. Perhaps it has something to do with the Department of Labour, or it may represent an improper act on the part of whoever it was in the Department of Labour who sent out the information. But I do not see how that is relevant to Information Canada, as it has nothing to do with it.

Mr. Nielsen: It is a government agency being used as a propaganda agency.

Mr. Munro (Hamilton East): Perhaps the hon. member would care to be a little more specific.

Mr. Elmer M. MacKay (Central Nova): Mr. Speaker, although my main purpose is to speak to the notice of opposition to vote 1 of the Department of Regional Economic Expansion, item No. 4 of the proposed estimates dealing with professional and special services in the main estimates for the fiscal year ended March 31, there are a few general remarks I should like to make regarding governmental and departmental policies.

The ever-increasing cost of all phases of government activity is fast becoming, like the energy situation, a national crisis. Not only is it distorting many traditional ways of the marketplace and personal management; it is becoming one of the root causes of and contributory factors to inflation, the inflationary spiral which keeps raising its ugly head despite the Prime Minister's assertions that he had it licked. If the government could slay the inflationary dragon with the flair and dispatch with which St. George slew his dragon of mythology, how well off this country would be. Unfortunately, however, the dragon of rising costs is not a creature of mythology; it is all too real.

A major cost in our governmental process has been the cost in respect of so-called professional and special services, which includes consultants. It is interesting to study the meaning of "consult", Mr. Speaker. According to Webster's College Dictionary it means "to consult as to seek information or instruction from; ask advice of". There is also another meaning, "to keep in mind while acting or deciding". There has been a tremendous increase in the use of consultants but there has been little resulting action or decision by this government.

We are weary in this country of hearing about statistics compiled by consultants. It has been said that statistics can be made to support anything, especially statisticians. The same observation applies, in my opinion, to consultants. With statistics supporting statisticians and consultants consulting consultants, it is little wonder that the ordinary Canadian wonders how the economic affairs of the nation are being managed and from whence comes the guidance and direction from this government.

Surely, in the name of economic prudence, there is a case for reducing departmental expenditures on outside consultants. In 1968, for example, total government spending on outside services listed as professional and special services in the estimates amounted to \$300 million. Today, approximately 4½ years later, the 1973-74 estimates con-

[Mr. Paproški.]

tain over \$600 million collectively allocated to these services.

A breakdown of the estimates dealing with regional economic expansion indicates at page 22-10 of the blue book, so-called, that the total departmental expenditures on outside consultants lie within this vote and that costs of consultants for the department for 1973-74 amounted to \$5,665,000. In 1971-72 the cost was \$1,901,000; in 1972-73 the cost was estimated at \$2,609,000, and the estimates for 1973-74, as I have mentioned, almost reach \$6 million. Why this great increase, and where are the resulting benefits? Personally, it disturbs me greatly to see the apparent disproportionate amounts being spent on consultants, not only with reference to the estimates for regional economic expansion but having regard to total government expenditures on professional and special services.

As far as DREE is concerned, departmental expenditures to outside consultants have increased by over 100 per cent from only a year ago. Furthermore, consultant costs of all kinds comprise approximately 14 per cent of the estimates in vote 1, and as such represent one of the highest percentages of all government department expenses allocated to these services. The average government department allocation is between 3 per cent and 4 per cent.

Out of the more than \$507,000 paid by DREE from August 1, 1972, to February 28 of this year, having regard to one list of consultants provided by the minister, over \$150,000 was spent for services with no report required. This amount represents about one-third of all the moneys paid out during that seven-month period. Furthermore, of the more than \$150,000 spent, over \$60,000 went to one man alone. In addition, it appears that up to February of this year at least three or four more such individuals from outside the department virtually monopolized the policy review and implementation for the whole Atlantic region, yet the public which ultimately pays for all this receives the mere mention of services only with no report. I hope that valuable services were in fact provided. I emphasize that one cannot fault the consultants; after all, they did not coerce the government into employing them.

On April 12 of this year the committee on regional development passed an explicit motion requesting that—
The Minister of Regional Economic Expansion table a complete list of consultants and consulting firms who have been under contract or who are still under contract with the department and a description of their work and duties during the time of the contract, and salaries and costs of such consultants and consulting firms.

Instead, we received a seven-month accounting with no mention of when or how the remainder will be placed in the estimates. Coming back to the larger subject of total moneys allocated by this government for professional and special services, and by way of comparison, the amount of money allocated for professional and special services in the 1973-74 estimates is greater than the estimated provincial gross national expenditures for the fiscal year ending March 31, 1973, of several provinces.

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According to Statistics Canada, catalogue 68-205, under the heading of "Estimated provincial gross national