

*Routine Proceedings**[Translation]*

Mr. Bellemare: Thank you for your generosity, Mr. Speaker. I appreciate it, so that I can complete my remarks.

Trying to save \$250,000 by cutting this committee will not really save money. We want to avoid wasting \$2.5 billion again. Do not eliminate small expenses and then not apologize for the big debts you are creating.

[English]

Mr. Murray W. Dorin (Edmonton Northwest): Mr. Speaker, I think this is a good debate we are having today. It perhaps would have been better if we could have done it under different circumstances.

I would like to address a matter that is in this report and which was also raised immediately after the Auditor General's report last week. It was the question of the billion dollars with regard to the public sector pension plan for public servants.

The problem is that in accounting, as in many other professions or occupations, there are sometimes different ways of doing things. We do things a little differently than in the United States. The public accounts committee, I understand, as of today is going to be visiting the United States to look at its accounting practices. It will find that the United States does not write down in its books any amount for pensions for its public service that it might have to pay in some future year. It only worries about the ones it has to pay that year. We would call that cash basis.

The Auditor General has said in previous years that his preference would be that we should add all these numbers in. We do not have to have the money this year, today, but we want it in the future. We may need it in the future and so we should add this in. As a result of that, we have deficit this year that we record as \$30 billion. It is not really \$30 billion in terms of what we have to borrow. It is only \$20 billion. The other \$10 billion are these things we write down for the future.

If we took the assumption of this year's Auditor General on the question of the tax treatment of retirement saving which is referred to in this report we are debating here today, he has said that if the money had been put in the stock exchange we would be about a billion dollars ahead. That may be true but what is also

true is that the money would have had to come from somewhere, either presumably by raising taxes during that time or by borrowing it.

The question is: Would we have been better off doing that? I guess the point is that there can be a debate. In this case I think the Auditor General is wrong. I think the other approach is better. I acknowledge that there are two approaches.

The question arose earlier in the debate by a previous speaker about why we do things differently sometimes in government than we say the private sector must do. The reason for that is that this is the public sector. I do not believe the rules for the public sector should always be the same as the rules for the private sector.

If I could just give one more example and then have the member comment, we pay our employees just like the private sector does. Then we collect income tax from their paycheques, just like the private sector.

One could legitimately ask why we bother. It is kind of going out of one pocket and into the other. We pay them a salary and then we deduct income tax. Does the money really go anywhere? The answer is no. When we do the same thing in the private sector the government collects the money and it comes to the government.

In reality, what we are arguing about is whether one way of doing things is better than another way. There is room for legitimate differences of opinion.

• (1250)

If the committee goes on this trip to Washington, I would ask the hon. member if it would then examine the issue of the tax treatment of retirement saving and how accounting in the United States is done for that. Presumably that is one of the things it is going to do when it examines the U.S. accounting methods and comes back with a report as to whether it prefers the Canadian way or the U.S. way.

[Translation]

Mr. Bellemare: Mr. Speaker, certainly if I am invited by the American government to see how they operate in the area of public accounts and government auditing, I will be pleased to go and find out. Perhaps the government should send a huge delegation. Many Conservative members should go for their professional development.