

Estimates

indexation in the personal income tax system in terms of exemptions and brackets.

Mr. Blenkarn: What has this to do with the estimates?

Mr. Johnston: I am saying that there was a tax cut each year for the past seven years in this country. In response to the ad hoc intervention of the hon. member for Mississauga South (Mr. Blenkarn), it has a lot to do with it.

Mr. Huntington: Mr. Speaker, I thank the President of the Treasury Board. I hope he will read his answers to these questions and blush a little.

Also I note in the estimates under Petro-Canada an item of \$100 million, yet Petro-Canada purchased Merit, a downstream distributor of oil, in Burnaby, British Columbia for \$10 million and recently entered into an extravaganza with Petrofina for something like \$1.4 billion. If the advice I am receiving from rather substantial economists in the land is correct, that \$1.4 billion will turn out to be \$2.4 billion by the time financing and interest costs are included, and perhaps it will cost the Crown corporation a further \$1 billion per year.

Would the President of the Treasury Board please tell us where the authority is and the vote is for the purchase of these corporations in which Petro-Canada is involved? Is it a loan or a grant, other than the \$100 million of equity? There was \$80 million in the previous estimates and \$100 million in the new estimates. That is a total of \$180 million, yet we are getting into billions of dollars of acquisitions on the part of Petro-Canada.

Are contingent liabilities being created which are not shown in the estimates and in Crown corporations? Are we truly moving toward getting Crown corporations under control, or are we really avoiding the true nature of the debt which is being created through these estimates?

Mr. Johnston: Mr. Speaker, I draw to the attention of all members in the House, particularly the hon. member for Capilano, that we are looking at the main estimates. There is no provision in this document, in the main estimates, which reflects the Petrofina acquisition. Obviously supplementary estimates will be tabled during the course of the year, but in any event the Minister of Energy, Mines and Resources (Mr. Lalonde) indicated in the House the procedure for the acquisition program.

With respect to the other question as to whether or not Crown corporations are under control, I would say that the answer is yes, very much so. As I have said before in the House, I hope we will be bringing in a comprehensive, omnibus Crown corporations bill in the very near future which will basically follow up on the legislation and improve versions of the legislation tabled several years ago.

• (1730)

Mr. Huntington: Madam Speaker, I gather that the President of the Treasury Board is saying that the Petrofina purchase will be brought in on the supplementaries under the

\$1 vote. I wonder if he could help me with my concern that once that \$1 vote is accepted, no change can be made and we are then really into contingency account financing.

If I could then move to the matter of the public service, the estimates show that it has now increased by 3,053. I am wondering if the minister could clarify a problem that I am having with that figure. His predecessor had reduced the public service by some 5,000, and yet he is showing only an increase of 3,053. Is it true that the actual increase is probably closer to 8,000? Also, can the minister explain the productivity figures of the Public Service Commission of Canada whereby their person-years have been reduced by 200. Even Statistics Canada figures show an increase of 1,300. The President of the Treasury Board is probably going to tell us that these are temporary. Is that not a way of misleading the House? If some of us forget, in the next estimates, that the 1,300 person-years shown by Statistics Canada are there on a temporary basis for the purpose of the census, what kind of control will we have over temporary person-years? Does the President of the Treasury Board really think that that should remain in the person-year category when it is strictly a temporary category? I am a little confused in this area. Is the figure of 3,053 an actual figure in light of the reduction that took place in that interim period?

Mr. Johnston: The fact sheet, No. 6, I think, is quite explicit in terms of what is taking place. As I indicated during my earlier remarks, the increase is being held at less than 1 per cent, as a result of very deliberate decisions—by ministers of the Treasury Board, and of exercising that policy of restraint over the size of the public service.

If the hon. member looks at the increases that I have indicated he will see a temporary increase, because of the census. This temporary increase is reflected in two departments. It is reflected in Statistics Canada to the extent of 1,000 person-years. It is reflected in the Department of National Revenue, which also has a role to play with respect to the census, in the neighbourhood of 305 person-years. These are, indeed, temporary person-years.

The hon. member can rest assured that in the future, the Treasury Board ministers will very carefully police the requirements of these two departments to ensure that the obligations with respect to these temporary person-years are honoured. That leaves an increase which would be called a permanent increase of approximately one half of one per cent. These are spread over a number of departments. I indicated that the principal increases in that regard are in the department of my colleague, the Minister of Energy, Mines and Resources (Mr. Lalonde), who requires additional person-years, obviously, to implement this very major National Energy Program. They are also found in the Department of Fisheries and Oceans. Our colleague, the Minister of Fisheries and Oceans (Mr. LeBlanc), put forward very forceful and very convincing arguments which I am sure would be accepted by the member for St. John's West (Mr. Crosbie), were he here, to the effect that additional resources were required in that sector.