

*Government Orders***GOVERNMENT ORDERS***[English]***BORROWING AUTHORITY ACT, 1995-96**

The House resumed consideration of the motion that Bill C-73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the second time and referred to a committee.

**Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.):** Mr. Speaker, when I began earlier today, I started off with Madam Speaker, was interrupted by Mr. Speaker, and now I have a different Mr. Speaker in the Chair. I would like to be certain that this Mr. Speaker will remain in the Chair for the duration of my short intervention in this debate.

As I said earlier to my colleagues in the House, the Department of Public Works and Government Services has had to sustain some significant reductions. I note my colleague from the Reform Party. No doubt he will have numerous questions for me when we go before committee. I might add he usually asks very good questions.

I want to share with him and other members of the House that we will be commercializing the Canada Communication Group, an aspect of public works and government services. We will be doing away with the stock item supply. We will be going to direct deposit across the board to save the taxpayers significant amounts of money. Cheque production sites will be consolidated in order to save costs to the taxpayer, contributing to the savings we are putting toward the deficit over a three year period of \$353 million.

In addition, public works and government services, Treasury Board and all agencies of the Government of Canada have been, presently are and will continue to look at ways in which to make additional savings in terms of the reduction in office space which houses a variety of government departments.

Program review was conducted by my colleague the Minister of Intergovernmental Affairs and had a number of aspects associated with it. One was a vertical examination of all expenditures in each of the departments. As a consequence of that examination, there will be less need for additional space.

I want to be very careful and very prudent. I welcome suggestions from members across the way in terms of how we can do public-private partnering in this regard and how we can have additional savings as it relates to the space requirements we need as a national government across the country.

These savings, as I indicated earlier, will total \$353 million and will dislocate 5,263 employees over a three year period. It is very difficult to try to sugarcoat tough decisions, but I want to be clear. Although there will be some dislocation of jobs, many of those jobs will reappear in the private sector. We ought not to downplay the significance the private sector can play in terms of handling some of these services and activities which, prior to the budget, were being conducted by government departments.

The Department of Public Works and Government Services is a common service department. We act in relation to the requests made to us by other departments and agencies of the Government of Canada. Where the opportunity exists, our objective and goal is always to try to get value for the expenditures within our department. We will be vigilant in reaching that goal in the coming months and years. Again I invite the co-operation and suggestions of members opposite to make certain we abide by that objective of value for our money. Where the opportunity exists I hope they will provide us with good, meaningful suggestions.

• (1510)

Canada Mortgage and Housing Corporation is another agency which comes under my responsibility. It has a historic, national and international reputation in the housing sector. Cabinet and the Minister of Finance, in view of the fiscal capacity of the Government of Canada, are giving savings to reduce the deficit in excess of \$300 million.

We will be closing over 20 offices across the country. We will be cutting back on our research efforts as a national housing institution. We will be doing away with the scholarship program which has been part and parcel of Canada Mortgage and Housing Corporation for quite some time. If anyone were to suggest that those are not tough, difficult measures, I would think they were being less than candid with themselves and with the House.

I do want to say that the Minister of Finance has given us a balance. On the one hand we still have 600,000 units. It is an expenditure by the government of over \$2 billion annually, housing one million Canadians who need the assistance of the state as they try to provide dignity and opportunities for their families and their communities. That expenditure is significant.

It is hoped that over an additional three year period we will be able to have additional savings and will be able to do some things in other sectors. However, I do not want to give a false impression to the House because it would be misleading and very unfair to suggest otherwise.

With the Atlantic Canada Opportunities Agency, the government over a three year period will be reducing its contributions to that agency. I would like to take a moment to explain the mandate of ACOA. The mandate of the Atlantic Canada Op-