

Government spending which have gone out of control. Crown Corporations, which he called a form of sub-government, are not held accountable to Parliament. He went on to say the following at page 13 of his Report:

Revenues of Crown corporations in the most recent fiscal year were \$31.9 billion, and expenses were \$33.6 billion. Most of these corporations are virtually unknown even to the best informed members of the tax-paying public. Yet, in the aggregate, they represent a hole in the taxpayer's pocket, resulting, as they often do, in a consistent negative return on investment.

The former Auditor General, in his continuing crusade on behalf of the taxpayers of Canada, said in a recent interview, as quoted in *The Edmonton Journal* for Friday, March 18, 1983, the following:

The '70s saw the biggest spending spree in Canadian history; in the '80s we are going through "a horrible hangover in the sobering-up process," said Macdonell.

Further down in this article we find:

Macdonell explained that bureaucrats operate under a strange system where the bigger their staffs and the more money they spend, the more power they have. There are no incentives for good management, since there are no penalties for bad management.

I could go on. What about Petro-Canada which is a \$7-billion service station, refinery and exploration enterprise financed by the taxpayers of Canada? It has over 3,000 service stations. Then there is Petro-Canada International, a \$250-million subsidiary to provide money and expertise for selected energy projects. It is to explore for oil—where? In Jamaica, Tanzania, Senegal and Pakistan. That is going on while our own oil industry, particularly the service industry associated with it, is floundering. What about Canagrex? Canadians wonder whether we need these things. They wonder whether we need a Canagrex. It is not needed. What is needed is an export credit assistance program and ways and means of assisting and promoting Canadian agricultural products abroad. We do not need to spend \$12 million or \$60 million to set up another Crown Corporation.

What about the Royal Commission on the Economy? Canadians question whether we really need to spend \$10 million to find out what is going wrong with the financial affairs of this country. We have several privately funded organizations that do that work on a day-to-day basis. For instance, the C. D. Howe Institute, the Canadian Institute on Public Policy; the Fraser Institute, and our own Economic Council of Canada which was commissioned by this Government and which is largely ignored by this Government.

What about the advertising budget? It is well over \$100 million, and it could be cut by at least one-third. Advertisements, such as the one I have in my hand which reads: "Complete energy security for Canada is this close!" cost the taxpayers of Canada \$1 million. I have another advertisement. The Canada Service Bureau is going to spend some \$2.6 million this year on setting up kiosks to explain to Canadians how they can get service from the Canadian Government.

There are many areas in which the taxpayers of Canada clearly question the validity of Government expenditure, such as propping up losers, and its contracting practices. Furthermore, Canadians across this country question the burdensome

level of taxes on their petroleum products of over 65 cents a gallon. What value are they receiving?

Finally, if Governments expect the economy to turn around in this country, they must lead and demonstrate by example. In that connection, we note that public sector salaries have risen at a level of 15.9 per cent while those in the private sector have risen by 5.8 per cent. Canadians basically do not believe the Government and its agencies are fairly sharing the burden of this recession. That is why this additional Government spending is not needed. It should not be awarded to the Government of Canada until it cleans up its own act.

Mr. Bill Wright (Calgary North): Mr. Speaker, I am pleased to rise today to speak to Bill C-143, to allow the Government to borrow \$5 billion this year and another \$14 billion next year.

In November, 1981, the Minister of Finance of the day predicted that there would be a budgetary deficit in the upcoming fiscal year of \$10.5 billion, with accompanying financial requirements of \$6.6 billion. One-half year later, we saw drastic revisions in the same Minister's June, 1982 budget. At that time the deficit was increased to \$19.6 billion, with financial requirements jumping to \$17.1 billion. As a result, Bill C-125, asking Parliament for authority to borrow needed funds was passed on July 22, 1982.

In just three months from that date the deficit was further revised to \$23.6 billion, an increase of \$4 billion. To cover this gaping hole in the Government's finances, the Government introduced Bill C-128 to authorize the borrowing of the extra \$4 billion. The Government's borrowing authority now stood at \$21.1 billion in new loans. And now we find that even this amount is not enough to feed the empty stomach of the Government. Parliament is being asked to pass Bill C-143, which gives the Government authority to borrow an additional \$19 billion, less than ten days from now. This brings the total borrowing requirements for 1982-1983 to \$26.1 billion, with a deficit which may total \$30 billion before we are through.

We must look at the reasons behind this abysmal spending record. The Minister has said that three-quarters of the Government's financial shortfall exists as a result of higher than expected debt charges and lower than expected tax revenues, and that one-quarter of the shortfall is the result of additional spending on income-support programs, such as Unemployment Insurance and welfare payments.

The first of those reasons, that there have been higher than expected debt charges, is very difficult for me to understand in the light of the very significant tumble in interest rates lately. How can the Government be paying unexpectedly more when interest rates have been in decline? When interest rates were rising, the Government blamed its rising deficits on unexpected debt charges. Now that the rates have fallen dramatically, they are still using the same old excuse, although the situation has changed completely. The other two reasons, the lower than expected tax revenues and the greater spending on income support programs, are a direct result of the recession in which