

In both the 1976-77 and 1977-78 fiscal years, actual spending was held more than \$1 billion below the announced ceilings, for growth rates of 10.4 per cent and 7.1 per cent respectively. Hon. members are aware that for 1978-79, the fiscal year just ending, the original ceiling of \$48,800 million was reduced by \$500 million as part of last August's spending cuts. When the public accounts come out later this year, I am confident they will show we have come in well under that ceiling. That means spending growth in 1978-79 will be less than 9.5 per cent.

For this coming fiscal year, 1979-80, \$2 billion was cut from originally forecast requirements last August to give us a target of \$52,600 million. I announced the details of the government's planned spending within that total when the estimates were tabled on February 19. That represents an increase of 8.9 per cent over 1978-79 spending.

The distribution of that increase among the various types of federal spending provides an indication of just how firmly the government has acted to control spending growth. About 58 per cent of the total budgetary growth is accounted for by transfer payments to individuals and other levels of government, subsidies and assorted other transfer payments. Another 43 per cent of the net growth is caused by the rising cost of the public debt. This means that estimates for operating and capital expenditures of government departments and agencies are actually lower than they were in 1978-79. In addition, I would like to note that departments, within those reduced budgets, still have to absorb the effects of inflation.

Control of public service growth is also part of the restraint program and the government's record is just as impressive. Here are the facts Mr. Speaker. In 1976-77, the first year of the program, traditional growth rate of authorized person-years was dramatically reduced to 1.3 per cent. In both 1977-78 and 1978-79 this growth was held to only six-tenths of 1 per cent. For 1979-80, largely as a result of the spending and public service reductions announced last August, there is an absolute reduction of 6,685 person-years. That is 2.1 per cent lower than last year. At that point, the size of the public service will be approximately the same as it was four years ago.

The record of the government is exactly the opposite to what is suggested by the motion before us, and knowing the sound judgment of this chamber, I am sure it will have the good sense later this day to soundly defeat the motion.

Mr. Ron Huntington (Capilano): Mr. Speaker, I had intended to rise and speak on a global matter until I heard the President of the Treasury Board (Mr. Buchanan) tell us about this period of restraint which the government in its self-worship has imposed upon the Canadian people.

I should like to remind hon. members that they are busy spending \$1 billion a week and creating a deficit of \$1 billion a month. We have been told by the Minister of Finance (Mr. Chrétien) that the national deficit has now increased by \$1.2 billion over the estimates for the fiscal year 1979 in this "period of restraint." The Minister of Finance has further

advised us that in fiscal year 1980 we will carry close to a \$13 billion deficit. If this increase in the rate of deficit continues, the 1983 deficit will be close to \$16 billion and the aggregate deficit between 1979 and 1983 will be \$70 billion. So much for restraint!

In addition, this government has utilized \$4.2 billion of United States funds in reserve to support the sinking Canadian dollar, an amount which represents about 90 per cent of the foreign reserves available in September, 1977. We have negotiated two foreign lines of credit to supply more reserves for foreign currency and by November 1, 1978, drawings in these credit lines amounted to \$2.4 billion. Again, so much for the restraint expressed by the President of the Treasury Board.

Further, between 1968 and 1978 federal spending will have quadrupled, going from \$12 billion to \$50 billion. So much for the words of the Prime Minister (Mr. Trudeau) when he requested national air time on August 13, 1969, to discuss the economy, on which occasion he said we would be on the road to disaster if nothing was done to bring spending under control. Yet the hon. gentleman talks about restraint.

During the Prime Minister's three years of "restraint", federal spending increased by \$14.3 billion, or 44 per cent. This increase amounts to \$226.50 per Canadian and represents an amount larger than the entire federal budget for 1968. I am talking simply of the increase in spending during the "period of restraint."

The gross public debt is now running at about \$6,700 per Canadian worker and at about \$3,000 per Canadian—an increase of 87 per cent in nine years. On that same August night of August 13, 1969, the Prime Minister told us that deficits were to become a thing of the past. Mr. Speaker, the gross public debt today amounts to \$67.1 billion and total government spending as of January, 1978, was \$50 billion. Yet the President of the Treasury Board stands in his place and enumerates "tinkertoy" items of restraint in an effort to disarm criticism.

As I said, Mr. Speaker, I had intended to deal with a more global aspect of the problem which faces us. Once again we are engaged in a debate on waste and mismanagement. It is entirely possible that the Canadian public is numb, because in the aggregate the figures are overwhelming; it is difficult to relate to them. Just two weeks ago a reporter asked me why I was so upset about the possibility of \$22,000 in postage being wasted by one of the departments of government. The reason I get upset is that I know how hard it is to save \$22,000. I know how hard it is to pay back \$22,000 when you have borrowed it from the bank. I also know that between \$22,000 and \$50,000 of capital can create one new permanent job. So I get angry when I see such a sum wasted. I know what an additional \$5,000 a year could do for many people at the low income level.

There is deep and widespread concern that this parliament is not representing or serving the people properly. No doubt the introduction of electronic *Hansard* and the electronic media is accelerating the concern that something is seriously wrong. Only last Friday in the *Ottawa Journal*, Mr. W. A. Wilson