

*Anti-Inflation Act*

as a picture of injured innocence because we had to keep suggesting that. In spite of that, he now congratulates himself for having listened to the opposition and is now patching up the legislation.

● (1550)

The problem with this amendment is that it is patchwork. The question we must answer is, how long we are expected to add patches to repair a basically poor product? How many times is the minister going to come back to us with additional amendments in order to repair what is damaging and poor legislation? I am reminded of the famous parable that no man sews a new piece of cloth on to an old garment lest the rent be made worse. Another analogy comes to mind. I remember the days during the war when there was gas rationing in our country. Everyone was a victim of that rationing, and everyone tried to find ways to accommodate himself. Hon. members will recall that there were three or four different kinds of stickers for vehicles. If a motor vehicle was used purely for pleasure, it bore an "A" sticker. If there was a little bit of work involved, it bore a "B" sticker. For commercial use, vehicles bore a "C" sticker, and trucks bore a "T" sticker. If a person had a truck sticker, he could obtain an almost unlimited quantity of gasoline. During the war, people naturally wanted trucks. What did they do? All a fellow who owned a coupe had to do was take the trunk lid off his car, manufacture a box, stick it into the trunk, and he would have a truck. He could register it as a truck, get a "T" sticker and obtain almost all the gas he wanted. He could have taken this sedan, chopped it down right behind the front seat, put a wall there, put a box on the back end, and have that vehicle qualified as a truck.

**Mr. MacFarlane:** He couldn't have been from Ontario or Quebec: that must have happened out west.

**Mr. Friesen:** Yes, there were many of them out west, but I am sure there were some in Ontario as well.

The trouble was that no matter what was done with those vehicles, they were still not trucks; they were cars and their basic structure and undercarriage did not qualify them as trucks. They could not carry better loads. All they did was look like trucks. A truck sticker could be obtained for them, but they were no better except for their appearance. They were not designed to work like trucks; they only appeared to be trucks. That is really what this program is like. For months, even years, the government had been under pressure to do something about inflation and its typical response has been: What inflation? Finally, when the government succumbed to the repeated barrage from the people of the country to do something about inflation, it acted impetuously, without due care and in a very piecemeal and patchwork way to bring together a program which was supposed to look like an anti-inflationary program but really was not.

If this program really is to be an anti-inflationary program, it should be designed to attack inflation and the major causes of inflation. Whether hon. members agree or not, the major cause of inflation in this country is the government itself. But far be it from the government to attack itself on this matter. Even in the amended version

[Mr. Friesen.]

of this program there is nothing which puts an effective control on government spending.

I have before me an article from last week's *Vancouver Sun*. In it are statements made by Maxwell Henderson, the former auditor general of Canada. I should like to read one short section because I think it is relevant to this debate. Maxwell Henderson wrote about the committee system in this House and the control the committee system is supposed to have on government spending. Part of the article reads as follows:

This was in November, 1968, when as auditor general I was the adviser to the public accounts committee of the day. The Honourable C. M. Drury, then president of the treasury board, presented the government's proposals. One of these was a still further reduction in the number of votes or debating opportunities available to MPs.

In 1964, when Canada's yearly spending was around \$6 billion, the government had persuaded the members to reduce the number of votes from 495 to 236.

At the 1968 meeting when yearly spending was \$9.8 billion, Mr. Drury proposed a still further reduction of 100 votes—from 236 to 136—to "facilitate the work of MPs and to better serve the needs of more effective government administration."

The members of the committee seriously questioned this further reduction but the Liberal majority of the committee ensured passage of the proposal.

The reduction may have served the needs of the treasury board administration, but it has not facilitated the work of the MPs. The 136 votes left are so large and the information available in the blue book so minimal that for many MPs it has become an exercise in frustration and futility.

There we see the nub of the problem in the committee system and one of the reasons high government spending goes on unabated while to the public eye members of parliament have some control over government spending. However, over the years the treasury benches have manoeuvred the committee system into such a position that it really has no effective control on spending at all. The government goes merrily along giving to members of parliament its estimates and its votes, and we are expected to vote on large blocks of money without really finding out how the government intends to spend it.

First, if the government really wants to deal with inflation it will put its programs under the influence of the Anti-Inflation Board and let that board exercise some jurisdiction over them. Second, if the government wants to attack inflation where it really exists, it will do something about the increase in the money supply. The other day the hon. member for York-Simcoe (Mr. Stevens) pointed out that in one year the money supply increased by 23 per cent. We cannot expect the public to get serious about attacking inflation if the government works in this way. How can we expect private enterprise to take a serious look at the anti-inflation program if the government itself is violating every possible principle of the economy in its anti-inflation program?

Third, the government must put itself under the restrictions it has imposed on the rest of the economy, namely, the 10 per cent maximum. I again point out what the government has done in this regard. The increase for the Unemployment Insurance Commission for 1976-77 over 1975-76's is 91 per cent; for Statistics Canada, 50.5 per cent; for the Department of Industry, Trade and Commerce, 40 per cent; for the Public Service Staff Relations Board, 40 per cent; for the Auditor General, 27.5 per cent; for the Post