

Oral Questions

[English]

GOVERNMENT ADMINISTRATION

INCREASE IN EXPENDITURES AND NUMBER OF PUBLIC SERVANTS—INQUIRY WHETHER GUIDELINES ISSUED TO DEPARTMENTS RESPECTING RESTRAINT

Mr. Allan Lawrence (Northumberland-Durham): Mr. Speaker, my supplementary to my leader's question is directed to the President of the Treasury Board. In view of the undoubted inflationary effect of these massive increases in government expenditures and in the number of public servants employed by the federal government, can the minister tell us whether there have already been guidelines issued to the various departments in respect of restraint on government expenditures and the employment of people in the public service?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, no specific arbitrary guidelines have been issued. However, there has been a clear indication that restraint will be exercised during the course of the current fiscal year.

Mr. Lawrence: In view of the fact that in 1969 the Prime Minister pledged that a freeze would be placed on the growth of the public service—

Mr. Turner (Ottawa-Carleton): Order. That is argumentative.

Mr. Stanfield: It is a good argument.

Mr. Lawrence:—and that is has grown massively since that time, has there been any specific reference regarding growth of the public service itself, or will there be in the near future, from the President of the Treasury Board?

Mr. Drury: As I indicated, there will be, as there have been to some degree in the past, restraints on increases. The justifications for further growth will be more severely tested. But I would point out that over the past four years the increase in the federal government's expenditures for goods and services, including salaries, has been at a rate less than the growth of the gross national product.

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THE CANADIAN ECONOMY

INFLATION—ACTION TO RESTORE PURCHASING POWER OF WORKERS' PAY CHEQUES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a question to the Minister of Finance. As the figures released yesterday by Statistics Canada show that average weekly earnings are running more than 2 per cent below the current rate of inflation, will the minister advise the House when he intends to take steps to restore to par the purchasing power of the pay cheques of the workers of Canada?

● (1430)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, those statistics also show that the ratio between wages and the cost of living has been returning in the

[Mr. Marchand (Langelier).]

direction of wages. To answer more fully, I would direct the hon. gentleman to statistics of Statistics Canada which reflect that personal disposable income, that is, the income left in the hands of the average Canadian, increased more than 6 per cent last year.

Mr. Hees: As the minister knows very well that the figure of real disposable income contains many factors that do not in any way benefit the average working man or woman, when does he intend to stop trying to mislead the workers of this country into believing that they are not losing out very badly on every pay cheque they receive?

Some hon. Members: Order!

Mr. Speaker: Order, please.

Mr. Hees: Up, up, up! Don't try a Trudeau on me. Get up and try to answer.

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ENERGY

AUDIT OF GOVERNMENT PURCHASE OF HEATING OIL FROM ROUMANIA TO DETERMINE WHETHER THERE WAS CONFLICT OF INTEREST

Mr. Harvie Andre (Calgary Centre): Mr. Speaker, my question is for the President of the Treasury Board. Has the minister conducted an internal audit inquiry into the purchase of oil on the open market by the Department of Supply and Services and, if so, is he satisfied that the purchase of Roumanian oil did not involve a conflict of interest?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, there has been no specific inquiry into or no specific audit of this particular transaction.

Some hon. Members: Oh, oh!

An hon. Member: Why not?

Mr. Drury: I might add I have no reason to believe there was any conflict of interest.

Mr. Andre: In view of the fact the Department of Supply and Services did purchase an option from its own adviser, has the minister at least requested the Auditor General to investigate further government expenditures on heating oil by the Department of Supply and Services?

Mr. Drury: Mr. Speaker, I am afraid the premise of the question is incorrect. The Department of Supply and Services did not purchase oil from any of its advisers.

POSITION OF CONTRACT FOR PURCHASE OF HEATING OIL BY GOVERNMENT

Mr. Walter Baker (Grenville-Carleton): Mr. Speaker, I have a supplementary question for the President of the Treasury Board. In view of the fact the oil purchased at such a high price was surplus to requirements, can the minister inform the House whether the government got