

Establishment of Industry Department

Mr. Woolliams: I appreciate your remarks, Mr. Chairman. However, I was dealing with the very important subject of the costs to the country and the solemn promise made by the Prime Minister to eliminate one minister when he set up this particular department.

In any event, I should like now to deal with the subject of the increased cost to the country generally. Let us take a look at the record. At the present time, in 1963, we have on the payroll of the government of Canada 138,167 civil servants. We have on the payrolls of crown corporations 142,164 people making a total of approximately 343,821. That is the number of employees who are working either as civil servants or for crown corporations serving approximately 18 million to 20 million people. These people are active in the federal jurisdiction only. Compare this figure with 1937, when we had approximately 42,000 employees in this field. We see, then, that there has been a tremendous growth in bureaucracy in this country. This is the first point I wanted to make.

As I have said, we have a Department of Trade and Commerce and, according to the Prime Minister who presented this resolution, these things were looked after by that department as well as the Department of Defence Production. I say the establishment of the new department will mean setting up a great bureaucracy in this country that we can ill afford. What is it costing the country today to have these 343,821 people on the payroll? I make this point, that we have now too many employees of government, and it is costing the taxpayers too much. The point I want to make is that if we are going to stimulate industry, stimulate the productivity of this country, then we have to cut costs, cut taxes, so that we will be in a position to meet our competition in this world.

Now I want to come immediately to this question of what all this cost the country from February 1, 1962 to February 1, 1963. I appreciate the fact that there was another government in office at that time. However, I believe these figures should be put on the record because this government is expanding the bureaucracy, putting more people on the payroll and duplicating what the Department of Trade and Commerce and the Department of Defence Production can do. It is costing the country \$1.57 billion—I want to repeat that, \$1.57 billion—to pay the salaries of those 343,821 people to serve 18 million people. This figure does not take into consideration the cost of office space, the cost of equipment, buildings and so on. It is not any exaggeration to say that 30 cents out of every dollar collected in taxes in this country goes to pay the wages and operating expenses of the various government departments when

we have a budget of between \$6 billion and \$6.5 billion. This might be a good time to mention that fact, because the budget will be presented this evening.

I want to repeat that it is costing the country \$1.57 billion to pay the wages of these people who make up the bureaucracy of this country. This new department of industry may be the economic baby of the Minister of Finance, and it may have been mentioned in his book "Troubled Canada", about which we have heard so much. I would say, however, that he had a great deal of help from one of the best backroom men in the House of Commons and probably the best member on the treasury benches. I refer to the hon. member for Bonavista-Twillingate, who has the best political machine that anyone has ever known since confederation. I say without hesitation that there are heads of departments—I have said this before and I am not going to name them again—who are pro Liberal. These people will do everything to sabotage any other government. I warn the splinter parties that if they had any hope of forming a government, their ability to operate a government in this country would soon be eroded away by this kind of bureaucracy.

I say this is another method, the setting up of another department to control manufacturing, by which the Liberal party hope to get their political foot in the door of every industry in this country. I say this without any hesitation. I know hon. gentlemen opposite do not like this, but it is correct. This Liberal luxury is already costing the Canadian people \$1.57 billion. I say to hon. members opposite that last year we had one of the largest growths in our gross national product, namely 8 per cent.

If the government really wanted to increase the productivity of the country it should think of cutting down the bureaucracy, giving a free hand to industry and seeing that industry keeps healthy by cutting taxes. I would not mind seeing a budget brought down with a deficit if, during that particular year, we had an honest to goodness reduction in taxes. One has only to look at a personal income tax form to realize how high and how many taxes are in force.

Some hon. Members: Oh, oh.

Mr. Woolliams: This is a suggestion hon. members opposite have heard many times before from me and I intend to talk about it every opportunity I get. In spite of the fact that I am being heckled from the Liberal side of the house I want to make it clear the Conservatives would be very happy to see a reduction in taxes, and this will have to be done if the Liberals implement the