

ment would take the problems of the country seriously and introduce some measures that go to the heart of some of the basic problems the country faces. The government, unfortunately, refuses to do that, so we accept the responsibility.

In this first allotted day of 1978 we intend to propose a number of means to deal with the cost and size and effectiveness of government. We have framed our motion in the most non-partisan way possible, not to require government members to embrace specific proposals, but only to ask that they accept their responsibilities as parliamentarians, and have a select committee of this House established to consider specific means by which we can reduce waste and improve efficiency in the Government of Canada.

I do not intend to detain or bore this House of Commons with the details of waste that have become all too well known in this country, but I think there are two items worth recalling. One is an excerpt from the report of the Auditor General of Canada for the year ended March 31, 1976, in which he said:

Based on the study of the systems of departments, agencies and crown corporations audited by the Auditor General, financial management and control in the Government of Canada is grossly inadequate. Furthermore, it is likely to remain so until the government takes strong, appropriate and effective measures to rectify this critically serious situation.

That was the judgment of the Auditor General of Canada.

The other matter worth recalling is the really quite amazing and symbolic event that occurred before Christmas when, in the standing committee, the deputy secretary of the Treasury Board and his officials had to admit to members of parliament that they did not know the total number of Crown corporations in which the Government of Canada had an ownership position. First they said there were 366. Then they found seven more. By last month the list had grown to 387. We do not know what it is today, but quite literally this demonstrates that the government itself does not know what it is doing.

The statistics of government growth over the last decade are shocking. In 1968 when this government was elected, government at all levels in Canada consumed 34 per cent of Canada's gross national product. After ten years of this wasteful and uncontrollable government, that figure is up to 41 per cent of Canada's gross national product. According to the estimates for 1968, the year this government came to office, the federal budget was \$10.9 billion. The estimates for this year are for a federal budget at \$41.1 billion. That means that the dollar spending of the Government of Canada has increased almost fourfold in the ten years of the Trudeau government. We can argue about the causes of that excessive increase and the cost and waste of government, but let us not occupy ourselves in talking about politics. We in this House of Commons have to deal with the consequences of that record. Those consequences are acute and various and simply can no longer be ignored by this House of Commons and the Government of Canada.

Some hon. Members: Hear, hear!

Mr. Clark: One consequence is that investment money, which this nation needs, is leaving this country, or else it is failing to come here because mobile investors, who have a

The Economy

whole world to turn to, are putting their money in places where government costs less, interferes less, or is more certain. I shall not detain the House with a long list of quotations from independent experts who have made this point. I see an hon. member from Toronto indicating disagreement, which is rather strange. He should be concerned about the capacity of construction workers in the city of Toronto to find jobs. The hon. member for Davenport (Mr. Caccia) does not care about those construction workers, but if he did he would be worried about the tremendous amount of investment money that is leaving that city to go to countries where investors trust the government more than they do here.

Some time ago one of the chief economists of the Bank of Canada gave the following warning:

● (1532)

—we have to get our house in order and make it more attractive for private capital or else Canada will become a sleeping backwater.

I also refer to a study that came out just the other day from the Florida legislature which shows that Canadians are the largest foreign investors in the state of Florida. That is happening in part because people who have money to invest do not trust this government and they are concerned about the waste of this government and the size of spending here.

The consequence of that, Sir, is that it very seriously limits our ability to grow, and causes our failure to grow. I emphasize this point, our failure to grow, which puts at risk our ability to stay together as a people.

[*Translation*]

Another consequence is that the performance of our economy is dangerously low. Closing plants have large stocks—one million unemployed prove this—and the government tells us that it is not stimulating the economy because our deficit is already too high. In other words, Mr. Speaker, we cannot spend money on things we need because we have already spent too much on things we do not need. We cannot do what we should for the unemployed for instance, because we have already spent too much for Petro-Can, for consultants and for opposing the other levels of government.

[*English*]

There is another consequence, Sir, that goes well beyond the economic, and that is the effect upon the enterprise and the attitude of the Canadian people. That is much harder to quantify, but it is essential for us to face. We have to ask ourselves, as parliamentarians who are responsible for the future of this country, how many small Canadian businessmen have given up because of the weight of frivolous regulations? And what is the cost to local communities when those small businesses are replaced by companies or by managers who are strangers in the neighbourhood?

What is the social cost of having government move into areas where volunteers have worked, as this government did in the last decade? This government moved in on voluntary activities, ranging from youth hostel associations all the way through to amateur sport.