

re-allocation of authorized senior personnel man-years and senior executive and equivalent positions between departments and agencies, in order to meet the tasks of highest priority.

Finally, I am pleased to be able to inform hon. members of the compensation policy to be adopted for collective bargaining in the federal Public Service during the post-control period. It will be recalled that in the green paper entitled "Agenda for Co-operation" the government outlined the policy to be adopted. In the months since that paper was published the Treasury Board secretariat has been developing means of implementing that policy. In the process, my officials and I have consulted with Public Service bargaining agents, provincial ministers and officials, and spokesmen for the private sector. The result of this process has been to confirm the government's belief that the policy proposed in the green paper is the right way to proceed.

Briefly, the government intends to change the emphasis in its previous bargaining policy. This change of emphasis will involve explicit consideration of the aggregate value of pay and benefits in relation to hours worked. In our terms, that is described as total compensation. It will also involve much more emphasis on comparisons of total compensation with private sector employers wherever possible. Where comparisons with private sector employers are not possible, for example in the case of teachers, the past practice of making comparisons with other public employers, or taking into consideration established internal relativities, will continue.

In addition, it is intended that compensation in the Public Service will not lead compensation levels in the private sector to ensure that the federal government will not fuel wage inflation. To this end, where compensation for public servants in a bargaining unit is significantly greater or less than that of their outside counterparts, the Treasury Board will seek to negotiate rates of increase which will allow comparability of total compensation to be achieved over a reasonable period of time, taking into account the magnitude of the difference. I hope this strengthens public perceptions of the government as an efficient provider of essential services at reasonable cost, all of which are fundamental goals of the government expenditure policy for fiscal year 1978-79.

**Some hon. Members:** Hear, hear!

**Mr. Harvie Andre (Calgary Centre):** Mr. Speaker, I will not take as long as the minister. I have no need to build a forest of verbiage behind which to hide. I will just expose the facts and let them speak for themselves.

We have just seen performed this year's version of the annual estimates medicine show, that great show put on by the President of the Treasury Board (Mr. Andras) each year. By using his best flim-flam, he tells the House how moderate and restrained the government is with taxpayers' money. Every year since I have been here, I have heard successive presidents of the Treasury Board using the same type of flim-flam. They have had to use more of it lately. Frankly, the medicine they are attempting to sell is enough to make you sick.

### *Main Estimates*

Ten years ago, for fiscal 1968-69 the total federal government expenditures were \$13.3 billion. In these estimates we see projected expenditures of \$49.8 billion, which is nearly \$50 billion, or four times as much as the expenditures ten years ago. There are cancers which do not grow that fast.

Last year's deficit, the difference between expenditures and receipts, was estimated to be approximately \$9.2 billion. That is more than the total expenditures the year before this administration assumed office. Obviously we cannot afford the type of spending which was carried on last year. How can we afford the expenditures called for this year amounting to approximately \$49 billion? It is small wonder that the Canadian dollar is of little value on the international money markets. Our government treats Canadian taxpayers' dollars with no respect at all. How can we expect the international money markets to treat it any differently?

There is an explanation in these estimates as to why the Minister of Finance (Mr. Chrétien) chose last night to announce that he is seeking foreign aid to prop up the Canadian dollar. I am sure when international money markets see this particular document, the government's plans for next year, what little confidence they have left in the Canadian dollar will be diminished.

In October, 1975, the government indicated that inflation was getting out of hand and that we are living beyond our means. At that time it imposed wage and price controls. It ordered corporations to keep their profits flat. Also it ordered that no individual wage earner could receive more than 8 per cent in the first year, and subsequently down to 6 per cent. During that period, if a wage earner earned the maximum allowable increase, his salary would have risen 22 per cent. During that time, government spending rose 44.4 per cent. In other words, what the Prime Minister (Mr. Trudeau) peddles to the rest of the country is too strong for the government.

The supporting documents produced by the President of the Treasury Board are literally full of flim-flam. The minister claims that spending will increase by only 9.8 per cent. He arrives at that by indicating that last year's main estimates, budgetary and non-budgetary, were \$44,142 million. He had a reserve figure of \$1,850 million, as well as normal lapses of approximately \$872 million. Therefore the total spending was approximately \$45,102 million. This year the estimates call for \$48,250 million, budgetary and non-budgetary; the reserves are \$1,550 million; and the lapses are \$1 billion. That is what produces the round figure of 9.8 per cent. If we use the same estimates this year for reserve and lapses as were used last year, instead of these cooked up figures which the President of the Treasury Board has put in this document, then the increase is 10.9 per cent and not 9.8 per cent. Also the flim-flam is exposed in the budgetary expenditures. We are assuming that the loans described in the blue book are in fact loans and not some flim-flam. So we are talking about money that is being spent; we are not lending it.