

and are not "demanding" more government services. The shocking increases in government spending must be stopped and to this end we recommend that a Royal Commission be appointed to examine and confirm the necessity of limiting government spending to a level not to exceed a fixed percentage of GNP.

2.11 The projected rate of increase in government expenditures for 1977 continues to exceed the expected rate of increase in GNP. It seems obvious that Ottawa has been unable to exercise good intentions to regain control of the public account. When viewed in the context of "tax reform" which seeks to increase government revenues to do "useful and important things" it is not surprising that we, and many other Canadians, are concerned. For example, in his recent Budget Statement, the Honourable Charles Macdonald, Minister of Finance, stated that the government have been designed to produce a significant increase in federal revenue-raising capacity, a move which we regard as totally retrograde. Whatever the useful and important things" may be, we can see no justification for asking Canadians to submit to additional taxation to pay for unwarranted programs until it is clearly established that we are able to afford them.

2.12 Moreover, we believe strongly that most Canadians want a chance to experience rising standards of living with greater discretion over the spending of their own earnings.