

*Government Organization*

wage-earners going up, as well as the rates of interests charged by money lenders of every category. Why don't civil servants do something about it? It seems to me that they could do so, since there are now 21 departments.

To summarize, 8 million citizens-producers through their salaries and their interests, earn increasingly high annual incomes, while 13 million dependent citizens, children, students, pensioners, unemployed, mothers at home, and the sick, see the cost of living going up without getting any increase in the income they are already drip-fed by the civil servants of the department of social or antisocial welfare.

I am not accusing anyone. I am only showing the obvious results of an economic policy which dates back to about 1944, the end of the last world war, to the decisions that stemmed from the Bretton Woods agreements, in July of 1944, and to the introduction of family allowances, which have been the same for the last 25 years. I am not disputing the fact, I am only asserting it. And my observations are so accurate that they reveal immediately the real source of the problems as well as their solution, for the problems are diagnosed and localized in the facts themselves.

Mr. Speaker, I ask the ministers and all the members who represent 21 million Canadian citizens to realize that I am a Canadian citizen and to forget, for a moment, that I am a member of the opposition. They will then understand that we have all to suffer and to enjoy the economic guidance which our government is forcing upon our great Canadian businesses and which will be reflected in our villages and towns as well as in the slums of our large cities, such as Montreal, Toronto, Halifax and Vancouver.

In a twinkling, Mr. Speaker, for the benefit of 21 million Canadians, without hurting anyone, we can re-establish and maintain the economic balance between family and corporation incomes.

This is where we must intervene. The officials must look after that problem. They must consider if there is some balance among the various classes of society.

● (4:40 p.m.)

Revenues, expenses and profits must be balanced. No organization in the world can operate if it does not balance its revenues, expenses and profits. But in Canada, this is of no concern. New departments are simply established and the taxpayers' money is spent

[Mr. Latulippe.]

to no purpose, because if the Canadians do not have a purchasing power, departments will not operate.

The present Minister of Forestry and Rural Development (Mr. Marchand) will have a fine department. He will have many things to do, but he will not have the money to do them. Who, in that department, will be responsible for increasing the purchasing power so that our economy will be balanced?

Mr. Speaker, a balance must be established in the case of requirements, costs and prices. There is no one looking after this situation at the present time. The cost of living is rising because of increased salaries and interest rates. Money is loaned at 9, 10 and 24 per cent because the government lets exploiters bleed the people. Canadians as a whole are being exploited. Inflation is attributable to a few individuals who take advantage of the present system. They are allowed by the government to increase their interest rates which in turn increase their personal incomes totaling billions of dollars.

I say, Mr. Speaker, that in 1968 capital gains amounted to \$28 billion and \$40 billion were expended out of a total production worth \$68 billion. This tremendous economic imbalance must be made to disappear. Nothing is being done about it. New departments intended to establish other agencies are being created. Farmers and industrialists will be told they are ignorant and that "smart alects" with university diplomas will show them what to do, what to produce and how to export. For instance, if there are no funds available for production or consumption, nothing is done about it.

A balance is essential between management, employees and dependents. Nothing of the kind is provided with the establishment of the new departments. Moreover, there must be a balance between capital, labour and the right to live. The bill makes no provision whatsoever for that balance. It simply provides for expenditures on the part of the government side; as far as the people are concerned, it provides for new taxes.

How can we achieve balance with such plans and rataplans? Balance must exist between production, consumption and capitalization. Actually, in Canada, there is too much capitalization and not enough consumption, for which there is no money left. Almost everything relates to capitalization which, incidentally—I have previously quoted figures in the house in that connection—is protected by the State.