

Restraint of Government Expenditures

any more. I put it before you seriously, Mr. Speaker, that by the repeal of section 272 of the Railway Act the government is attacking one of the basic foundations of our federal system. If members opposite cannot hear my voice and are frightened to speak up in front of their Prime Minister, there is not much I can do. But at least I have put forward my views, and I intend—like the hon. member for St. John's West—to continue putting them forward because we on this side of the House do not intend to sit down and let this matter lie.

We have heard from the hon. member for Welland (Mr. Railton) that we are not putting forward ideas. I have gone back over my speeches in the last 15 years in the House. I have laid ideas in the laps of government members. Last December, before the Christmas adjournment, I rose in the House and quietly asked the Prime Minister, in view of the budget and the price and wage controls brought in in October, whether during the recess he would quietly consider the posture the government was taking vis-à-vis the monetary and fiscal situation in this country. The government had brought in wage and price controls and I could see the economy slowing down to a stop and levelling off.

Now we sit on the edge of a precipice and may be going into a lengthy period of recession. The Prime Minister said he would consider that proposal. But then he stood up on December 28 and said we had to have permanent controls because we could not trust the people to make their own decisions. He said we were such a greedy nation that we had to have controls imposed by the elite of the country. I throw that at the House because this is another attempt on my part to remind members opposite that there are proposals on the record.

One can fiddle around with all these little things and get peanuts. What is the cause of inflation? It is caused by the government. This is what embarrasses politicians. We talk about the necessity to cut down on everything. All members had their incomes frozen at \$24,000. Aren't we good boys! Yet we have a minister running up and down the country at \$750,000 a time to see his constituents rather than ride on Air Canada. I think maybe it is cruel and unnecessary punishment for ministers to have to ride on Air Canada, but at the same time this is what destroys our posture that we are trying to save money.

This bill is another issue which is just a posture. Let me give you a list, Mr. Speaker, of some of the proposals I have put forward in this House. You can look it up if you really want to get at the causes in the western world for this inflation. Let us get interest rates down. Our interest rates in Canada are 4 per cent higher than in the United States because we have a group of economic nitwits who believe it is necessary to have higher interest rates in this country in order to keep money flowing into Canada. What a mythology to impose upon the Canadian people, the greatest saving people in the world!

We must get the interest rates down. That is fundamental in getting at inflation, price and wage controls and this type of legislation. Second, get your land costs down around the cities. Housing costs have gone up, but greater than that has been the unbelievable escalation in the price of land around the cities. If

you do get the people who are doing it, you only get half a dozen in each city. Just because they are Liberals does not mean they should dominate the whole country and force prices up. Get your land costs down around the cities. The legislation is in place to do that.

Third, we have tremendously costly universal social welfare programs which cost \$18 billion to \$20 billion a year. The people want those programs, but common sense and knowledge should tell the government that positive individual incentives should be put into these programs or we will lose them. That is the subject of a speech I have made here on several occasions.

Fourth, in trying to get at the cause of inflation and all these costs, you force men and women in the cities to ask for higher and higher wages in an effort to keep up, and they never manage this. The government should use the knowledge and precedents that are available and end this wasteful labour-management confrontation. Everyone has heard of the theory of productivity and how it is rewarded. Everyone has heard of the portability of pensions and insurance. Everyone has heard of the formula methods of achieving wage settlements. Strikes are as outmoded as the dodo bird. They cost not only billions of dollars but smash the labour man and the businessman at the same time. The knowledge and the precedents are there. Members opposite should not walk into this House and say that we never put forward ideas.

The fifth point I want to mention is that if you want to get at inflation you should use the monetary and fiscal systems of this country to help the economy, and not fight them. It is said that 40 per cent of all revenue of our gross national product goes through government hands. That 40 per cent can be utilized in a way to reinforce the other 60 per cent and we would have a 100 per cent economy, or we could use that 40 per cent of government financial control, to work against the economy and reduce the net to less than 60 per cent. There are all sorts of proposals. The Porter royal commission recommended several. No one pays any attention to the Porter royal commission. That report was published in 1964. Some members think it is a dirty book. That is wrong, because if it was a dirty book they would all read it. Look at the proposals there. I quoted them to the Prime Minister in the House on one occasion. There was no reaction.

Members opposite are not interested in economics. All they are interested in are these posturing devices of exposing themselves on every occasion so that they will be seen, rather than getting at the economic problems. If they have not learned any lesson from yesterday, they should have. A government goes along trying to amaze its people by posing as their great defenders, becomes involved in discussions which arouse the emotions of the people, and then takes away their civil liberties that government will be defeated. We still cannot get away from the fundamental fact that what changed that government in Quebec was the failure to deal with economic matters. You cannot ask people to accept a low level of living year after year and decade after decade without their asking themselves whether they could not have a government of the people who sometimes gave them economic well-being. So I suggest that