

fiscal year. The civil service is to grow. More than 200 employees are to be added for the proposed anti-inflation review board. The program we proposed contemplated the employment of the existing civil service; we did not intend to enlarge the civil service in order to achieve our goal.

Government members have said in so many words that if this program does not work we shall soon see complete price and salary controls. If the government carries on as it has been doing, they will not be long in coming. I say that because the program as now envisaged surely cannot succeed.

But what concerns me most of all is that this government has no mandate for this program. Its mandate does not include the imposition of income and price controls. It was elected to do the opposite of that which it is doing. Although in many ways the program the government is proposing is different from the one we proposed, in many ways there are great similarities in principle. Therefore, the government cannot hide behind the excuse that this is a different program. No wonder citizens of this country frequently express cynical attitudes about the morality and honesty of politicians. In any event, the government's program is unclear and fuzzy and is doomed to failure, I suggest, as it will not accomplish its aims for the economy.

Why do I say that, Mr. Speaker? Our economic problems do not merely involve inflation; they also involve massive unemployment. Also, as the program is selective it appears to be unfair to labour. If such a program is to succeed, it must not only be fair but it must appear to be fair. Only then will all in this country support it. At best, this is a stopgap measure. We shall need to introduce other measures to complement the program, as it alone will not bring about the long-term solutions we need.

Let us examine the long-term implications of this program. In the short-term, the proposed solution may be compared to people fighting for the best chair on the deck of the *Titanic*. One could compare the prospects of the *Titanic* to the prospects of our economy. Inflation is fed by growing expectations; greed, if you like. That word may be more easily understood. These expectations are in no small part the result of this government's past policies, policies which were designed to buy votes and which involved during the past seven years huge government extravagance. The total federal budget in 1968, when I was first elected, was just under \$11 billion. Seven years later the budget has tripled, the reason being grossly extravagant government policies designed to buy votes. Some of these policies are hand-outs. I am thinking of the Local Initiatives program which is a good example: It creates dependence on government and the feeling among Canadians that you should look to the government for the solution to all your problems. It makes people tend to look too much to the government for programs which directly create employment.

The LIP program was a stopgap measure. The intention was to complement it with long-term programs, which would make LIP unnecessary, but we have seen no such long-term programs introduced. Instead, we have seen repeatedly stopgap measures introduced. One could refer, as well, to widespread abuses of welfare in this country. I do not say everybody abuses the system, yet many Canadians agree that there is widespread abuse of our

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welfare system and widespread abuse of unemployment insurance. The latter program is not really an insurance program at all, but another sort of welfare program. We know from as far back as the days of Robin Hood that you cannot eliminate poverty and solve economic difficulties simply by taking from the rich and giving to the poor. We need much more fundamental changes in government policy before we can reach the target of full employment and the elimination of poverty in our country. Clearly, the programs of this government have fed the growing expectations of Canadians. Government policies have created too many takers and too few doers and givers, meaning taxpayers.

Government policies have encouraged too much dependence on government. Growing expectations are due in no small part to the government's own attitude. The Prime Minister and other government members have run around the country scoffing at the idea of work, scoffing at the work ethic and scoffing at the idea that people must have the initiative to look after themselves and their own. The government has created the idea that every citizen has the right to something for nothing. We must change that. Deep in our hearts we know that what is happening cannot go on forever. If it goes on much longer we know that our civilization will eventually go the way of the Roman empire and other empires which did not pay heed to their economic affairs.

We ought to realize that we cannot solve our economic difficulties by depending on the government to do it. They will be solved only by the sweat of our brow; by contributing to our country and society at least as much as, or more than, we take from it; by increasing our productivity individually and as a nation; by increasing our self-reliance and reducing our dependence on the government to do everything for us; by increasing our individual independence and initiative. Unless we do this we are lost, as there is no way that price and income controls alone will solve the economic problems facing this country.

No stopgap measure designed to put the lid on the economy will lead to economic well-being. No such policy will make us go in the right direction. If we are to solve our economic difficulties and beat inflation, we must ask every citizen to do what is necessary. Our people must reduce their expectations. We need a government which will not increase expectations by the introduction of programs designed to buy votes, as such programs lead only downhill and we do not want to go downhill.

[*Translation*]

Hon. Jean Chrétien (President of Treasury Board): Mr. Speaker, I welcome the opportunity to participate in the debate this afternoon and to give my wholehearted support to the program which has been put forward by my colleague, the very dedicated and able new Minister of Finance (Mr. Macdonald) appointed a month ago.

● (1620)

As we all know, Mr. Speaker, the government's decision in this matter was not an easy one. I heard the hon. member who has just resumed his seat blame us for having fought the last election on the issue of the inadvisability of imposing controls within the economy, of freezing wages and prices.