

taxes in recent years to avoid "serious social problems in the attitudes of working Canadians toward the disadvantaged.

● (1650)

Then they go on to talk about the middle-class we hear so much about. Back in Ottawa Arthur Blakely says in his opening paragraph in the *Citizen*:

Any Canadian family which tried to do its budgeting federal-government style would go bankrupt in short order.

What about these taxes that the government is collecting? Their expenditures have increased to \$22 billion, up nearly 20 per cent from last year. I should like to give the House another quote from a statement made over 100 years ago about governments that do this sort of thing. More than a century ago the French philosopher Bastiat wrote:

The state, too, is subject to the Malthusian Law. It tends to expand in proportion to its means of existence and to live beyond its means, and these are, in the last analysis, nothing but the substance of the people. Woe to the people that cannot limit the sphere of action of the state: freedom, private enterprise, wealth, happiness, independence, personal dignity, all vanish.

Let me say something about the government's interference in business and in the personal lives of all Canadians. Take, for example, the CNR with its 30 subsidiary companies. What business has the government to be in the hotel business, the airlines business and the radio and television business which has cost us \$300 million in this current fiscal year? The government is also in real estate. I am sure the deputy minister of public works does a good job and is proud of the fact that he is head of the biggest landlord in the country. That is not what governments are for.

What else has the government done in this regard? They have established a whole host of what are called marketing boards which are supposed to be helping the people. The Food Prices Review Board does not agree with that, because the board says that it cannot accept any group action which artificially inflates consumer prices. That is what marketing boards do.

The former auditor general has stated that governments should never go into business because they do not have competent people to place at the helm, and the results are inevitably disastrous. The Polymer Corporation was sold to the Canada Development Corporation and then the government fired the auditor general. We all know the problems Mr. Henderson had when he was auditor general of Canada, and he had this to say: "It's just that the government was plain embarrassed by what I was digging up".

In British Columbia an economic consultant described the effect of government policies on feed grains for cattle which caused the majority of British Columbia-raised beef cattle being grain fed in the prairie province to be slaughtered in the prairie provinces and reshipped to British Columbia. All of this unnecessary movement not only raised British Columbia beef prices but eliminated a considerable meat packing industry.

Price Control

Let me now say something about the small businessman and how he suffers from government interference. Many of them are forced out of business because they just cannot cope with government rules and regulations. It is all right for the big boys, but the little fellow just cannot hack it. Individuals are being forced more and more to call upon people like their MPs, who are practically acting as ombudsmen now.

Today we see our MPs in Ottawa with two secretaries, and the government has just authorized an additional one for the riding. In the old days—which are not so old, only 20 years ago—when some of the members of this House first came here, two MPs shared one secretary and one telephone in one office. Now that the government has become so involved in all our lives, each member has three offices, three secretaries and three telephones. In Denmark the people have just thrown out the old government and elected a fellow who promises to abolish taxes and to fire half of the nation's civil servants.

The government has its own version of socialist theories vis-à-vis the corporations. Just as the NDP views the corporations having a bottomless pit of money, governments forget that governments do not have bottomless pits of money. All their money comes from the taxpayers, in this case the people of Canada.

We have looked at the causes, Mr. Speaker, and now let us look at the solutions. What can the government do? The general inflation, the general decline in the value of money, is caused by the rapid increase in the supply of paper money. The government should stop increasing the money supply so rapidly. The substantial increases in food prices in particular are caused by the government's policy of preventing free markets from working normally.

Consumers are served best when they are free to buy from the most efficient suppliers, domestic or foreign. Tariffs are harmful to consumers and should be repealed. The government sometimes lifts tariffs, but is quick to replace them when producers complain. The government's tariffs restrict foreign competition. The government-granted monopolies restrict domestic competition. By protecting inefficient producers from the competition of efficient ones, the government harms consumers by preventing them from obtaining the best products at the lowest price, and the government harms efficient producers by preventing them from growing and prospering.

Finally, Mr. Speaker, over the last two days and continuing next week we are debating the amendments to the Combines Investigation Act. These amendments, if passed, will force competition in some areas where there has hardly been any need. If ever we needed an example of a government devoid of any real basic policy, we now have it. We have one set of laws to prevent competition in many fields, and another set of laws to order competition in other fields. Clearly the government has gone round the bend and has met the NDP coming round the other way.