It originally had been the intention of the government to limit the application of the actual rollback of wage rates to Members of Parliament and to senators—in other words, to parliamentarians. That point was made, I believe, in a question during question period from a member of the NDP.

## Miss MacDonald: And my motion.

**Mr. Johnston:** The hon. member for Kingston and the Islands confirms that. When I responded at an earlier period in this debate, I did say that the intention of the law was to limit the rollback to parliamentarians. However, in the circumstances in which we find ourselves where the credibility of the program is so important, where the thrust of the program is so important and where the example set by the federal government is so important, no false perceptions can be allowed to remain.

The Acting Speaker (Mr. Corbin): Order, please. The hon. member for Erie (Mr. Fretz).

**Mr. Girve Fretz (Erie):** Mr. Speaker, the government has brought in closure on Bill C-124, the restraint legislation. Frankly, we hope that the 6 per cent and 5 per cent restraint program works. The problem is that it is seriously flawed, as per the amendment brought in by the minister on Friday afternoon which so seriously hurts members' staffs who have no tenure, no security, no bargaining power in unions. So we see that this legislation is seriously flawed.

• (1520)

This is a government which has proven that it is interventionist, that it likes to control—or should I say loves to control—the lives of people. My question is, if this legislation is so important, then why cut off the debate now? What is the big hurry? Indeed, what is the matter with the Prime Minister (Mr. Trudeau) and his cabinet who cannot seem to be capable of realizing how badly our country is hurting?

My leader has said that the hard facts are easy to manage but no one ever gets used to the human costs of Canada's economic mess. The Prime Minister keeps insisting that Canadians must "curb their expectations", that they must "restrain their wage demands and tighten their belts", ad nauseam. In the same breath, the government authorized \$5 million for the 115th birthday party which in fact was over \$1 million more than the previous year.

I would like to read a couple of paragraphs from a letter which I received just today from a constituent in Wainfleet. The letter is dated July 23:

While it is encouraging that the government is finally acting based on the extreme condition of the economy it is not going to be effective enough to have apppreciable effect on the economy, or government spending.

I am a white-collar worker at Atlas Steels, a specialty steel producer. In my job as metallurgical service representative, I visit many of our customers on technical problems etc. and I feel I can speak with authority when I say that the government does not know what is going on in the real world.

He goes on to say:

Many companies including Atlas Steels are laying off (actual termination) white collar workers. At Atlas Steels there has been a 20 per cent staff cut via

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terminations and early retirement. Employees with 19 and 24 years service have been terminated. The government never mentions staff cuts. In fact, I read that Ottawa hired 8,024 workers during the first quarter of the year—

He concludes in the last paragraph:

—I would ask you to do your best to bring this government to the knowledge that people are hurting a lot more than they realize. Further, help them to understand that while their recent actions make good newspaper reading, they still are about 8 months out of phase with the industrial sector of the country.

On June 23, 1982, it was stated in *The Globe and Mail* that "This government must curtail its own voracious appetite for more and more money to support more and more expansion of its control over Canadian resources." One indeed wonders whether the average Canadian realizes that one dollar out of every four dollars spent by the federal government is now spent on interest and debt charges—it is more like "depth charges", for it indeed will surely sink us.

The former Auditor General, James Macdonell, predicts that the deficit will reach \$22.5 billion for this year. That is \$3 billion more than the government estimate. He also said that Canadians face a 50-cent dollar if the present government does not get spending under control. A government serious about turning around the economy must first learn to restrain and discipline itself. Spending rose in the fiscal year 1981-82 by 22.1 per cent. This Liberal government is trying to hide its own responsibilities by blaming all of our economic problems on American policy.

As Barbara Amiel stated in the *Sun* on July 11, 1982, "Reagan has cut taxes; Trudeau increased them. Reagan has cut government programs; Trudeau is increasing them. Reagan is trying to cut the deficit; Trudeau has doubled it. The United States is importing less oil; Canada's oil costs are going up."

A government whose fundamental national policy is to blame others is unlikely to come up with much creative thinking or much co-operation from the people it blames, whether they are our neighbors to the south, our provinces, our businesses or our unions. As well, the suggestion of helplessness eats away at the very spirit of the Canadian people.

This land was settled and developed into the great country that it is today by our forefathers who came here to overcome the odds, try new things and accomplish goals unobtainable in the old world, for we are not at the mercy of the world. Canadians want to accomplish better things with a government that will help and not hinder them. But the tragic lack of confidence in Canada today is solely due to lack of government leadership, not lack of resources or opportunities. Much of our unemployment, our negative growth and our high interest rates have been the high price of ideology in Ottawa, laid squarely on the shoulders of the government and not the high price Canadians have to pay for a fight against inflation, as the government would have us believe.

To quote Laventhol and Horwath, chartered accountants, from their advertisement in *The Globe and Mail* on June 17, 1982:

Only a major reversal will begin to answer the needs of the economy. The pride of the Minister of Finance, the stubbornness of the Minister of Energy and the