

The Budget—Mr. Simpson

of us are wondering if the government is still looking for a little more slack to put into the farm economy.

Another aspect of the economic picture of Canada is the Minister of Finance (Mr. Benson) endeavouring to convince Canadians that there is no increase in the rate of tax projected for the next fiscal year. Mr. Speaker, this is utter nonsense in the light of the fact that for the next fiscal year he has forecast an unpredictable increase in the cost of living. With the inflation we are experiencing incomes will increase, so it means that many Canadians will not only be paying higher taxes but will be paying a higher rate of tax, having gotten into a high tax bracket, notwithstanding the fact that in real terms their incomes may even have declined. I do not intend to speak about the tax proposals in the government's white paper except to say "amen" if these proposals are ever implemented as presently outlined. In relation to putting slack into the economy by means of cutbacks, the inconsistency of the government's proposals is quite evident for anyone to see.

• (5:10 p.m.)

The government is talking of austerity programs across the nation. Business, labour and industry are being asked to hold the line, yet we see in the government's own little preserve an unlimited increase in expenditures. There are many things at which we can look. I have made many criticisms in this respect. I am sure that Canadians are wondering just how long this type of policy can continue. How long are Canadians going to be prepared to co-operate in holding the line when the government is spending in such a manner?

There is the matter of the expenses of the regional desks across the country. I do not have these figures on hand, but I am sure if they were examined it would be seen that a great deal of the taxpayers' money is being spent on these regional desks. We have yet to find out what value they have. In the opinion of most members of the opposition, Information Canada, which was set up recently by the government, is nothing but a propaganda institution. It will involve considerable expenditure.

With regard to ministerial staff assistants, one need only look at the increases which have occurred in the staffs of most of the ministers to realize the tremendous expenditure involved as far as this new policy of the government is concerned. Getting closer to

home as far as the government is concerned, there is the outlandish increase in the staff of the Prime Minister (Mr. Trudeau). This has been mentioned in the House before. Many questions have been asked, and some have been answered. Just recently Canadians learned that the staff of the Prime Minister consists of 75 members with a total salary in the neighbourhood of \$821,000 a year.

All session the opposition have been questioning the increasing size and cost of the establishment. From time to time different opposition members have asked for precise figures. Because the Prime Minister specifically exempted his staff from the cutbacks imposed on other sections of the government by the austerity program, the figures each time have differed, routinely increasing. In 1960 the cost of the staff of former Prime Minister John Diefenbaker was approximately \$50,000. The cost was the same when he assumed this office in 1957. One of the first things he did was to ask for the staff establishment of former Prime Minister Louis St. Laurent. The cost of Mr. St. Laurent's staff was \$50,000. The cost of Mr. Pearson's staff ran in the neighbourhood of \$75,000 until near the end of his regime when there were some sharp increases. However, this is a far cry from the \$821,000 annually which is now being spent by the Prime Minister to staff his office.

I wonder how long Canadians will be prepared to accept the request of the government to keep expenditures under control in an endeavour to fight inflation? I have mentioned just a few places where I feel the government is unnecessarily spending money, while at the same time asking Canadians in general to hold the line. This type of money is available. Apparently there is some good news in the announcements being made with regard to incentive grants and special area grants. I wish to make a few suggestions to the government as to where some very much needed expenditures could be made, expenditures which I am sure would greatly assist the economy in some of the underdeveloped areas.

I understand, Mr. Speaker, that many communities in northern Alberta, in northern parts of other provinces and in the Northwest Territories, are currently submitting briefs to the government through the Standing Committee on Indian Affairs and Northern Development in relation to plans for opening up that part of the country. The town of Fort Smith has submitted a brief bringing to the attention of the committee the desirability of