

The Address—Mr. Andre

political reality. I suppose we have to live with that, but it should be resisted by a responsible government.

The fifth reason for high government spending is the fact that the federal government can print money. This privilege is not open to many other people. If people in the private sector are caught at it, they are thrown into jail. However, it is something the government does, and has done with incredible frequency over the last few years. This is another type of sneaky taxation. As the government goes to the Bank of Canada to sell its bonds, for which it is paid in freshly printed notes, it debases the currency we carry in our pockets. In other words, the government taxes us again in another sneaky way.

A sixth reason for increased government spending is the poor example set by this cabinet, and by the Prime Minister in particular. How can one, with a straight face, try to impress upon the civil service the necessity of conserving, being thrifty and looking after each penny, when ministers fly all over the country—sometimes for business and sometimes for pleasure—running up horrendous transportation bills? The Prime Minister spent several hundred thousand dollars to renovate and improve 24 Sussex Drive. Ministers spend tens of thousands of dollars to decorate their offices. They put up wallpaper worth extraordinary amounts of money per yard and then tear it down because the colours clash a little with the couches they choose. These things have a very important, over-all effect on the mentality which exists within government circles. It is impossible and impractical to expect people to operate under a system which is basically, "Do what I say; don't do what I do. Do what I tell you to do; don't follow my example". Yet that is what this government has been practising, and it has much to do with the attitude which has existed within governments, the attitude of spend, spend, spend.

The seventh reason for the incredible increase in government spending has to do with the poor administration of the trust that the cabinet, and particularly the President of the Treasury Board, is supposed to administer. I will not go into detail here except to repeat just one phrase from the report of the Auditor General of last November. It reads as follows:

Based on the study of the systems of departments, agencies and Crown corporations audited by the Auditor General, financial management and control in the government of Canada is grossly inadequate. Furthermore, it is likely to remain so until the government takes strong, appropriate and effective measures to rectify this critically serious situation.

If words like "critically serious situation" appeared in the audit of a corporation in the private sector, they would cause that corporation to be de-listed immediately from any public stock exchange, because if that did not take place the stock would fall through the floor and would cause the dismissal of at least the president and the chief financial officer, if not a call by the shareholders for the dismissal of the entire board of directors. Yet we have this kind of statement from the Auditor General of Canada about the people who are spending \$45 billion of Canadian taxpayers' money in a haphazard, shoddy manner.

What has the government done about those recommendations? One of the key recommendations of the Auditor General was the establishment of the position of comptroller

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general. At first the President of the Treasury Board made many pious statements about this proposal conflicting with ministerial responsibility, and so forth. However, seeing that there was a basis to this recommendation, the President of the Treasury Board finally conceded that a comptroller general should be appointed. That was on April 25 of this year. On May 30, in answer to a question in the House, the minister said he was actively searching for a comptroller general and expected to appoint one soon. It is now October 20, more than 11 months since the Auditor General first made that recommendation.

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We have no comptroller general and we have no evidence that any changes have been made within Treasury Board or any other department or agency of government to implement these recommendations of the Auditor General. As far as we know, the government's financial management is as shoddy, improper and inadequate as it was a year ago when the Auditor General first reported on this matter. That is absolutely intolerable.

The eighth reason government spending has increased so fast is sheer deceit on the part of the government. I will give an example of what I mean. On February 19, 1975, the then president of the treasury board, in introducing the main estimates for 1975-76, said that \$28.24 billion was only an 11 per cent increase over the previous year. He claimed it was a very modest increase. We pointed out that the change between the main estimates, year to year, was 30 per cent. He said that was not a fair comparison. The people of Canada were told by the minister, through the media, that the government was being very careful in holding government spending down to an 11 per cent increase, when the supplementary estimates for the following year showed that the increase was actually 27 per cent.

Precisely the same thing happened the year before and the year after—and the same thing is happening now. This is outright deceit on the part of the government. They are apparently unwilling to tell the people of Canada honestly, how much of their income is being spent and by how much it has increased over previous years.

In the spring of this year, for example, when new estimates were introduced, the government boasted that there was only a 7 per cent increase over the previous year. The former auditor general of Canada, Maxwell Henderson, then pointed out what the president of the treasury board failed to admit; that in fact a great deal of this so-called reduction in government spending was merely a transfer of responsibility to the provinces, and that when these factors were taken into account the rise in spending was closer to 10 per cent than 7 per cent.

If the government would correct its actions in these eight areas, Mr. Speaker—and in particular the last one—to be more honest with the people of Canada, that would go a long way toward controlling government spending. As the Prime Minister indicated, lack of such control is at the root of many of our economic problems. Certainly, that question must be