

gram are those who can least afford it. The government has no restraint program. What it calls its restraint program is a shifting of restraint to the public sector, asking those who can least afford to bear the burden to practise restraint. The government is holding out Bill C-19 as a red herring to the Canadian public, attempting to show that it is practising restraint.

● (2120)

The government does not really know what restraint means. Between 1968 and 1976 there was a 24 per cent increase in the growth of the public service. I might add that our public service is the highest paid public service in the whole of the western cultured world. We might also note that a deputy minister in the Canadian government is paid considerably more than Henry Kissinger in the United States. When we take these things into consideration it is obvious that the government does not know what the word "restraint" means. Yet the government comes in with a bill and talks in terms of holding back a few million dollars when it has increased its expenditures from \$9 billion to \$40 billion in a decade. This is an insult to all Canadians.

In 1968 personal income tax represented 34 per cent of the federal government's revenue source. Today, in 1976, personal income tax represents 53 per cent of the federal government's revenue source. I think that very clearly demonstrates who is paying the burden of the excessive spending by this government.

When we look at Bill C-19 and ask where the restraint is, the fact is that any analysis of it shows that the restraint is hidden by a shifting of the moneys from one department or branch into another department, or that the restraint has been accomplished by putting the burden on the back of the taxpayer through the freezing or fixing of family allowance payments, which hits those who are most in need, those on fixed incomes. That is a sham.

The government's record of disaster is embalmed in its performance in respect of the foolish Mirabel airport which one day may have to be closed down simply because it was put forward as a political carrot in an attempt to try to gain some support in a part of Canada. Then we have the stumbling reckless proposals regarding the proposed Pickering airport where there was no regard for the agricultural land and the people in the community. Again we must ask where is the restraint in a government which has such a foolish record of financial administration? I would also point to the moonlighting practices in StatsCan, the dredging contracts, and the car rental situation which give the appearance of tendering to friends rather than concern for economics.

All these things indicate that there is no evidence of restraint on the part of the government. The fact is that in respect of Bill C-19 we cannot ask the Canadian people to have a sense of confidence that the government is exercising some kind of restraint through economic and fiscal policies. The government will demonstrate to Canadians that there is some restraint only when it is able to do so through a reduction

Restraint of Government Expenditures

of the income tax, when there is a renewal of confidence by the small business community which must know what are the rules of the game and how they are to be played, and when there is a clear-cut demonstration through a freeze in the growth of the public service.

We must get down to the fact that the private sector should represent the largest share of the gross national productivity and that this is not a country which will be run 42 per cent by the federal government. When there is growth in personal income taxes, when the highest wages are paid to public servants, when we have phenomenal increases in expenditures, and when we see what the government places on the backs of the Canadian people, it is obvious that the government is not able to demonstrate that it is exercising restraint.

I think it is time we recognize that Bill C-19 is in no way a restraint program. It is to be marked for its hypocrisy. As the hon. member who spoke before me said, it is the hope that many members will speak on this bill until it has become clearly recognized that the bill is simply a disguise and does nothing to meet the challenging and very important recommendations put forward by the Auditor General in his report for the period ending March 31, 1976. As one hon. member pointed out, any attempt to call upon a royal commission to take a look at the financial spending of the federal government is simply a method to detract the public's attention from the sorry spending record of the government. An attempt to delay any action for a period of two years I think is the clearest example that there is no sincerity on the part of the government that it is truly interested in restraining government expenditures.

In conclusion I will say that if the government has any intention at all of assuring the Canadian people that it is sincere about the restraint of government expenditures it should forthwith accept one of the major recommendations of the Auditor General. It should establish a comptroller general for Canada who would have the power and authority to investigate the financial expenditures of each department of government and report periodically. He should have the power even to call for a public investigation of the expenditures by any government department. If the government is not willing to accept that fundamental recommendation of the Auditor General then I think it behooves all Canadians to recognize that this government is simply unfit to manage Canada, and I would hope the Canadian people would be given that test as quickly as possible.

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, it might appear to some people that it is sheer coincidence that we are debating a bill on the restraint of government spending just as the Auditor General delivers his scathing indictment of government spending and waste. A similar coincidence is the fact that the government already had a royal commission set to roll when the report of the Auditor General came down.

Certainly, there is something unusual in the fact that just as the Auditor General's report came out, containing a very scathing indictment of the government, the President of the Treasury Board (Mr. Andras) conjures up the idea and makes