

*Supply—Finance*

My reason for quoting these words is simply that it seems to me it is altogether fitting and proper that the groups of people under the general headings of business and labour should be consulted because they all have a part in this problem of inflation. They are contributing factors to it. The minister is now going to consult business as a means of resisting inflation. However, in the same breath he singles out business for discrimination in connection with the payment of taxes. In my opinion, that does not add up properly.

● (4:10 p.m.)

Since 1963 there has been a large increase in the number of government employees. I admit that generally speaking government employees are very efficient, but there has been a large increase in the expense, with more and more boards, commissions, crown corporations and all that sort of thing, until one is almost black and blue in the face talking about them, all adding to the expense being paid by that apparently forgotten man, the taxpayer. We hardly ever hear his name mentioned in this chamber. He is the fellow who is paying the taxes but he is the forgotten man.

Governments apparently are tampering to a greater extent than ever before with pay envelopes. I believe that this trend should be reduced. I do not believe in governments taking to themselves the responsibility of providing for a segment of the population and then taxing the whole population to supply the funds for that purpose. No lesser man than the late Right Hon. W. L. Mackenzie King said that the collection of taxes by one government body for the benefit of and payment to another was a vicious principle. Now I am getting into another subject which I do not want to pursue, but the point is that it would be better for governments to address themselves to making it possible for people to do things for themselves rather than provide them with something at public expense.

One of the great philosophers of the United States, Professor Channing, about 100 years ago was asked if it was the function of government to provide happiness for people. He replied no, that it is the function of government, to the extent that it is in its power to do so, to provide the means by which people may make themselves happy. This is a statement which deserves more attention than it has received.

I now come to the question of Canadian productivity and a comparison with our friends to the south. It seems to me that this

is right along the line I have been talking. If a producer is told that his pay cheque is going to be constantly eroded and interfered with, after a while he will become discouraged. He will ask himself, "What is the use? The government is going to take it all away from me anyway and there is going to be nothing left. What do I care how little I produce?"

A few moments ago I quoted from an editorial in this morning's *Gazette* headed "Still Not What Is Needed". I think it is a tremendous editorial. It is not entirely uncomplimentary to the minister, but that does not hurt my feelings. It deals with the subject of the protection of the country against inflation and the establishment of guide lines by the government. I am quite prepared to acknowledge that on account of the selfishness of some people individuals do require some regulating because they are not all perfect. We have to have some guide lines for business and to prevent inflation. I quote from the editorial:

In his statement yesterday Mr. Sharp admitted the need for the government to give some sort of guidance in the fight against inflation by establishing some kind of guide lines, even if the name "guide lines" was itself avoided. This is in itself a good step. The tendency of the government in the years that are past was to condemn inflation in generalities but never to come down to cases.

I do not see anything wrong with the word "guide lines". If I were a member of the government I would not mind it. It seems to me that guide lines are a good thing for a group of people such as a government in charge of the destinies of a large number of people. I continue quoting from the editorial:

One of the reasons, it might be suspected, why the government has hitherto avoided setting any sort of guide lines is that it was reluctant to set the necessary example. To lay down guide lines for others, while its own spending was bulging, would have been to invite acute embarrassment, with nowhere to hide.

I know that the minister and his colleagues have read this editorial. To me that last paragraph is a very potent one and proper note should be taken of it.

In his speech yesterday the minister announced the freeing of the number of employees in the public service. This is something which was done in 1962. The public service commission at that time, when vacancies arose, advertised them within the department concerned, then within the public service generally, and finally within the public service all over Canada. As a result nobody