

Income Tax

taxes, and explain what kind of value it will have in his plight. This bill will have an insignificant effect in many critical areas facing our society today.

Finally, I want to make a few comments about the fact that this tax relief will have only limited effect. While we support the principle of the tax relief, the point is that it is just not enough in view of the fact that this government has grown too big, almost so big that it cannot handle itself. It is about time that we gave Canada back to the people. Our people believe that they can manage their own affairs, and this is done by cutting taxes.

When speaking on this bill on Thursday, as reported at page 2978 of *Hansard*, the Parliamentary Secretary to the President of the Privy Council (Mr. Reid) said this:

If we reduce taxes we automatically decrease the amount of revenue the government has entitlement to under the tax laws.

He was speaking to the amendment, and that is really exactly the point and he is very observant. I think that is all we are speaking of here tonight. Decreasing government revenue is how we are able to control government spending. We cannot control something that spends so wastefully and without thought unless we decrease revenue. Why do we not give the people of this country their money back, because just by chance they might be able to use it better than the government can?

I should like to make a short mention of the notion of royalties. I do not intend to expound upon that subject this evening, since I am sure the bill will be going into committee of the whole at which time there will be a chance for some extended debate on it and how it affects royalties, but the federal government seems to be taking the view that the provinces are incapable of managing their own affairs. I therefore think it behooves us at this time to put on the record the fact that the government of the day is grabbing for power by ripping-away at the provinces.

Some hon. Members: Hear, hear!

Mr. Malone: I think that all the critics on the other side are after the same crumb, but let me tell them that there has been real disparity among the people of this country both in the east and west. There has been a real grab for power, for central control in order to manage this country. Anyone who knows anything about human beings, human motivation and human incentive, knows that the closer to the grass roots you put the power, the better the people can manage their own affairs. Or you can centralize government, and in this regard the government's treatment of royalties is but one example. However, I think we can leave this subject for detailed discussion later on; the point we are discussing this evening is simple and clear.

The government is ripping from the people too many dollars which are being spent too loosely. It is time to turn money back to the people. I dare the government to let the people of this country prove to them that they can manage their money just as well as this big piece of machinery.

Mr. Stan Schumacher (Palliser): Mr. Speaker, I am pleased to participate in the debate on this budget bill. I was not able to speak on the debate on the budget. I think the amendment before the House presented by the hon. member for Northumberland-Durham (Mr. Lawrence) is a

[Mr. Malone.]

timely one. It calls for the members of the House to come to a conclusion as to whether or not the taxpayers of Canada should be given some break in the government's spending policy.

The Minister of Finance (Mr. Turner) is now crossing the country preaching restraint, but his budget, of which this bill is part, certainly is no example of restraint. It reflects an increase in government spending of about 25 per cent in one year, and is a very bad example to Canadians in general regarding how they should behave. When one hears news reports about certain parts of the public service rejecting 26 per cent increases over a two year period, one can easily see where the example comes and how people are acting on it.

Reference was made earlier today to the creation in the Prime Minister's office of a new board of economists—as my hon. friend from Edmonton Centre (Mr. Paproski) described them, a new group of seven. It is quite clear that some extra supervision is required of the economic affairs of the country, since the Minister of Finance does not seem to be able to perform in the way he talks. The question is whether this new group of seven wise men will be able to come up with anything more concrete in the economic management of this country.

I feel it must be of concern to all members that there are now 16,000 people working in the public service of Canada who earn more than \$20,000 a year. Over the last five or six years there has been an increase of 1,300 per cent. Which is no example of restraint by any manner of speaking.

I agree with other hon. members who say that the only way you are going to attack the problem is by cutting off the supply of money or giving some concrete effect to what most members, I believe, feel should happen. The government just does not seem to listen to words; words do not seem to be effective. Each year of the six and a half years I have been here there has been a tremendous increase in the spending habits of government.

I made reference to the fact that there has been a huge increase in the upper levels of bureaucracy, but you can also find it at the local level. For example, the health of animals branch of the Department of Agriculture has an office in the city of Drumheller. For the last 30 years or so it has been housed in the federal public building in Drumheller. Then somebody got the bright idea that the accommodation there was no longer satisfactory, even though the staff employed in the office were quite happy with the space they had. So what does the government go and do? It has to go and rent commercial space at the rate of \$300 a month for housing this office, in opposition to the wishes of the staff, and where there is no walk-in trade at the ground level. I am just wondering what those on the treasury benches are doing with the money that they ask us to vote them when they behave in this way, when the staff of the office do not want to move but are forced to, at a great increase in cost to the taxpayers, but without providing any additional service.

● (2050)

As far as I am concerned as a member for Alberta, the most difficult part of this budget is that part which indicates how the federal government proposes to treat the resource producing provinces. The minister has devoted