saving of $1,200 million. I am not sure how he will work the government through attrition over three years, losing 60,000 public servants, because those who go off by attrition are not always those one wants to lose, and those who stay on are not necessarily those one should not fire. It is an easy, painless process. It is something like his approach to the provincial premiers. There will be no confrontation with the public service. He will reduce the size of government by letting people die off. Does this take a great deal of courage and organizational skill?

Some hon. Members: Hear, hear!

Mr. Trudeau: Out of policies which will cost approximately $5,300 million, there will be an estimated savings of approximately $1.5 billion. The simplest thing to say in response to that is that the Red Tories have been replaced by the red ink Tories. That is what they will be.

Some hon. Members: Hear, hear!

Mr. Trudeau: I should like to talk about inflation because those facts are also subject to criticism and analysis. We have received the criticism, but we have not received the analysis. We have not heard the Tory policies on the subjects I will discuss, but first let us look at the facts. We know that for the past two months the rate of inflation has been slowly coming down. Also we know that from August to September inflation was wrestled to the ground for one month. I dare say it will not be a permanent victory, but we will continue fighting in the manner which I will indicate.

In order to set the record straight when we talk about standard of living and cost of living, let us look at some of the Organization for Economic Co-operation and Development figures. The standard of living is expressed in terms of real disposable purchasing power. In 1968 we were second, right after the United States. They had $4,679 and we had $3,516. Eight years later, the latest date for which we have figures, we are still second. I am talking of constant dollars, obviously Canadian dollars brought to the 1971 base. In 1976 the United States were at $4,258 and Canada was at $4,082. Thus, we were still second, and away ahead of Switzerland, the Netherlands, Germany, Norway, Japan, Italy, but perhaps not ahead of Kuwait. I am not sure, I do not have the figures for Kuwait. If we are talking of real disposable purchasing power, probably we are pretty well ahead of Kuwait. For something which costs perhaps $50 in this country, one will pay perhaps $300 in that country. If one is not the Emir himself, who will have a little bit of difficulty maintaining his purchasing power.

The United States is listed first on the cost of living index. Putting that country on the basis of one hundred and comparing the cost of living of various countries to the United States in any of the years 1968, 1970, 1974, 1976 or 1978, Canada is always in the top little group. Let us take the two years to which reference is always made. In 1968 we were second. The cost of living index in the United States was one hundred and the cost of living index comparatively in Canada was one hundred and one. In 1978, ten years later, the United States was 100 and Canada was 102. We are still second, and away ahead of France, Germany, Switzerland, and Japan. Japan was 165 compared to our 102. Though the figures on inflation are not nice and we would rather have a lower rate of inflation, obviously the result of these years of inflation indicates that Canada has done immensely better than most of the other industrialized countries.

[Mr. Trudeau.]

Some hon. Members: Hear, hear!

Mr. Trudeau: I should like to put another index before the House. Looking at food prices, calculated in current United States dollars for a given basket of food, and reported by United States agricultural attachés around the world—that basket of food is the same in Australia, Canada, United States, United Kingdom and so on,—in Canada we are second. We pay $19 for that basket in Canada. There is one country ahead of us by one cent. That country is Australia where the basket costs $18.99. After us, in terms of food prices, come the United States, United Kingdom, and further on Germany, Sweden, Denmark, Japan, and all these other countries. Thus, in terms of food also we are among the winners.

I should like to refer to another index, real personal disposable income.

Some hon. Members: Oh, oh!

Mr. Trudeau: I know these figures are tedious, but they should be on the record for the benefit of the opposition.

Some hon. Members: Hear, hear!

Mr. Trudeau: Because we are neck and neck with the United States in a lot of these industries, I have compared the gains over the past ten years in Canada with the gains in the United States. Therefore, taking 1968 as 100, the real personal disposable income per capita in Canada has risen from 100 to 151.90. In other words, we have increased our real personal disposable income per capita. That is gross earnings plus all which is received in terms of transfer payments, minus all taxes. We have gained some 50 per cent. Compared to the United States, in that country it went from 100 to 124. Once again we are ahead of everyone and we are doing very well in terms of real wealth.

Some hon. Members; Hear, hear!

Mr. Trudeau: Other industries are referred to in the census and by Statistics Canada. I will refer to a few in order to show that over the past ten years this country has not really seen itself reduced from riches to rags. Let us look at a few of these indices, first in relation to personal expenditures on consumer goods and services.

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In the case of food, beverages and tobacco, our expenditure on these items compared to our total expenditures has gone down from 21 per cent to 19 per cent. In the case of rent our expenditure has gone down from 19 per cent to 17 per cent.