

reaction among economists as violent as that of a virgin defending her honour.

I am opposed to the spirit of this bill, Mr. Speaker. In entitling Bill C-19 as an act to restrain government expenditures, the President of the Treasury Board is trying to evoke the feeling that any reduction in expenditures is necessarily good. We in this party are opposed to that. Cutting out the indexing of family allowances is counterproductive to the requirements of our economy. Before this government, or any level of government for that matter, takes any further counter clockwise steps, we must consider the alternatives. We must decide whether big business will be allowed to make investment decisions for the benefit of a few, or whether the government should make these decisions which hopefully will be in the interests of all.

In this country we have treasured the concept of free enterprise, the free market place, and the freedom of individual corporations, particularly large ones, to come to major investment decisions although half the time we will not know who owns the corporations. We do not know how far back they go to the source, the big man, the board of directors, whether it be in the United States, Japan, West Germany or somewhere else. It is about time the government decided where it intends to go.

● (2050)

Last Christmas and last January the Prime Minister made a few statements which, to the Liberal party, were very radical. I thought they were mild. They were statements that had been made for years by politicians and political leaders in this country and, indeed, by many very eminent economists. It was interesting to watch members on the government side, not all but generally speaking, go through a traumatic experience. I know they received mail from businessmen in their constituencies, corporate people, financiers and so on. I do not think they received much mail from the working people.

People in the business world were saying, "My God, what happened to the Liberal party?" referring to the classic interpretation of liberalism emanating from the Manchester school in the nineteenth century. Liberalism was the philosophy of individual enterprise.

Look at the country today. How much individual enterprise is there when the huge corporations are moving in and pushing out small firms, companies and factories? I admit we have a new minister to look after small business. I have a lot of respect for him personally. He is very likeable. However, I question his credentials with regard to being responsible for small enterprise in this country.

We have this anomaly through the media that somehow the little people are afraid of the left wing, afraid of socialism because it stands up for the little people, the trade unionists. They seem to think that the only way to manage an economy is to put it in the hands of fewer and fewer but larger and larger corporations.

In my opinion Bill C-19 will not have any real effect on cutting government expenditures. While we are supposedly

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cutting \$1.5 billion in government expenditures, you can bet your bottom dollar, or bottom \$1.5 billion, it will be spent some place else, and probably uselessly.

A lot has been said about Bill C-19. I hope other members will in fact prolong this debate regardless of what the hon. member for Kenora-Rainy River had to say about it. It is a very important bill, and I hope we can get our priorities straight on it. Government spending is not necessarily bad. It is a question of how and where it is spent, and how effectively.

I hope all hon. members realize that we are here only at the wish of our constituents. We are here to serve them. The basis of politics today is economics. That means a reasonably good pay cheque at the end of a good week's work.

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I welcome the opportunity to participate in this debate on Bill C-19. My speech will be laconic and to the point, with little or no rhetoric to attempt to enhance superficially the material in my words.

Bill C-19, an act to amend or repeal certain statutes to enable restraint of government expenditures, is really nothing but the resurrection of Bill C-87, almost verbatim, which was introduced in the last session of this parliament and which died on the order paper when the new session, the second session of the thirtieth parliament, commenced on October 12. Among other things this bill, if passed, would remove certain statutory restrictions now applicable in respect of training allowance rates paid under the Adult Occupational Training Act. Also, the Company of Young Canadians would officially cease to exist if the provisions of this bill become law.

This bill would also give the authority to freeze, at the 1975 level, the rates paid to residents of provinces for family allowance. It also would officially terminate Information Canada. There are other provisions in the bill, but time will only permit me to elaborate on one very important one.

As I read Bill C-19, the repeal of Section 272 of the Railway Act would remove the provision maintaining at the 1960 level the rates for moving grain, and, at the 1966 level, the rates for moving flour for export to an eastern port. It would also remove the subsidy paid to railway companies that allows them to move grain or flour at those rates. To implement this section of the bill would be a grave injustice and a mistake on the government's part. This subsidy to the railways should not be removed. Elimination of the subsidy could mean the loss to Canada of about \$828 million in "value added" processing activities. Many of the 3,000 persons presently employed will be unemployed. Indirectly, complementary industries could lose \$865 million a year.

There is no question in my mind that the government's action in this regard is one that was taken without proper consultation with the industries involved. Unilateral action, not only in this particular instance but on many other occasions as well, only accentuates the non-thinking that the government has displayed time after time since it took office under its present leader in 1968.