

Waste and Mismanagement

wrote a column headed "Feeling of Malaise Grips the Nation". He spoke of the "Me first" syndrome. He talked of a sense of public responsibility that seems to be missing. Few good examples are being set by political leaders, business leaders and professionals. In Mr. Wilson's view the political process does not bear upon the sort of malaise that is affecting the nation. He pointed out that in the debates on universal suffrage at the turn of this century it was feared that full democracy would lead to such heavy demands that the system would collapse. Although this has not occurred, Wilson states:

Groups within the political process discovered the art of creating public appetites and then built their hold on power by satisfying them.

● (1640)

While on this malaise which is of increasing concern to many people who want to see freedom survive and an improved quality of life evolve, I refer to a series of articles by Norman Macrae, the deputy editor of London's *The Economist*. These articles are entitled "Ailing Democracies may be Terminal Cases". Mr. Macrae points out that voting democracies have some serious challenges ahead. One of those challenges is public sector imperialism. Power has passed to what Solzhenitsyn, in his warning to the western world, called the "political bureaucrats" and the "official bureaucrats".

Macrae pointed out in his articles that these two groups now spend a higher proportion of gross national product than did the priests, kings, nobles and capitalists during their own peaks of power. I suppose the problem we face is one of human nature, for it seems that every time we allow a particular group to have power, it is certain to develop ways of keeping its own bureaucracies growing. In his articles Macrae also pointed out, and I quote:

The concentration of spending power in the hands of bureaucrats has been sanctified on the supposition that there are lots of services that can more efficiently be produced by state monopoly than by the market.

Macrae also said, and I quote:

In the past few years, it has become probable that none of these now exists.

He pointed out, and I quote:

Productivity per man in the civil service has sometimes declined during the past two and a half decades by over 90 per cent while productivity in the market sector has more than doubled.

We have an example of that here at home. The Auditor General's report of 1978 states that the public service and the federal civil service is at a productivity level of about 65 per cent when the least we should expect is an 85 per cent level. The rate is 20 per cent less than should normally be expected. Of some 330,000 man-years, 20 per cent is 66,000 man-years. On just a quick calculation, if we want a dollar measure, that adds up to something in the order of three-quarters of a billion dollars. That is an unproductive burden on those involved in real work.

Our challenge as parliamentarians is to reverse the incentive aspects which are built into this system. At present it is not in the interest of the bureaucracy to be productive, for its status and comfort are measured by the size of its budget and the person-years of departments.

[Mr. Huntington.]

In addition, bureaucrats work in an information environment where problems are committed and studied but seldom solved. Bureaucracies live on unsolved problems. For instance, since 1969 there has been a total of 26 royal commissions appointed by this government. In the public accounts of 1978 the cost of six commissions and studies or reports came to over \$5 million. I have not been able to obtain the figure for the cost of studies over the last decade.

Another serious aspect of public concern, as I sense it, is that the interests of parliamentarians seem to be above those of the people and that this institution has become a top down—not a bottom up—institution of democracy. That has become dramatically evident in the last decade. Parliament has gone completely contrary to the popular will on such issues as capital punishment, bilingual policies, communications policies and the use of the Unemployment Insurance Commission as a welfare and wealth distribution scheme instead of protecting the insurance aspects of its purpose. That alone this year is another \$5.3 billion burden which should really be a self-supporting program.

The inability of parliament, through fear or its shrug attitude, to do anything about the problems within the civil service and the mismanagement and anarchy within the Post Office is a challenge which has been with us for the last five years. The situation today is no better than it was five years ago. I suppose it is fair to say that there is lack of leadership in this institution because we are caught up in the "Me first" syndrome, and we are not offering the leadership which must come from the top. We have failed so far to get the system under control and to deliver an efficient, economic and effective use of the tax resource, which comes solely from those engaged in real work. This concern exists in all free countries, not just here, and because this institution does not react as it should we call for direct democracy. We see the Prime Minister and some of his wise men from the west calling for this great direct democracy, which is symbolized, in most people's minds, by proposition 13 in the state of California. Just as an aside I would like to say that when the Prime Minister and some of his hypnotized followers speak of direct democracy, the farthest thing from their minds is the example of proposition 13, which has the force of law.

I am new to politics and have trouble relating to the art, which really serves only the short-term, election to election needs of political power. To me there is a serious flaw in a system which fails to look beyond the next election in planning the use of its resources wisely. I note that there is nothing in the proposed constitutional changes and entrenchment of rights which moves to correct these flaws. Where do we see a right for the taxpayer to be guaranteed a balanced budget? Where do we see entrenched a right for the taxpayer to be guaranteed efficient, economic and effective use of the tax resource?

I have also been reading Reginald Whittaker's book "The Government Party", which is an exposé on the organizing and financing of the Liberal party from the years 1930 to 1958. It really boils down to the fact that the art of political power in