

they do agree is that the number one reason for domestic inflation in Canada today has been the reckless regard of this government in terms of spending. When you compare it with any country in the western world, we come out the worst.

Some hon. Members: Hear, hear!

Mr. Grafftey: I will underline, for the second and the third time, that each and every member of this House, putting country before party, hopes that this legislation—amended, mind you—will do something to better the situation for all Canadians in terms of the fight against inflation. However, I want to underline again and again that this program cannot work in a vacuum.

I am not going to get into the ballgame of quoting percentages. I know that a fixed rate of increasing the money supply by the Bank of Canada in relation to the monetary policy could, as our leader has said time and time again, create unnecessary tight money situations in many parts of this country. However, surely the time has come with an anti-inflation program of this nature to co-ordinate it with deep and profound monetary and fiscal reform.

I hope the government and its minions have learned their lesson, that you just cannot let the printing presses roll *ad infinitum*. There must be some co-ordinated, constructive and organized policy vis-à-vis monetary reform in the printing of money, fiscal reform, and this present program. Suffice it to say that this program will not work in a vacuum without meaningful and profound fiscal and monetary reform, and it must be indicated to Canadians, not tomorrow, but right away.

Some hon. Members: Hear, hear!

Mr. Grafftey: Stop treating the Canadian people like a bunch of imbeciles. I hope not too many people read the white paper given to members on this side of the House, and which it is intended will bring restraint and leadership to restore the government's lost credibility. I read it time and again. It was plagued with loopholes and euphemisms, saying we don't really mean it. Leadership and restoring credibility are the only way this program can work.

If we do not have fiscal reform sooner than later, do not for one minute expect this ad hoc program to work in a vacuum, because it won't. Within six weeks time from this present moment, the Minister of Finance should bring down a new budget. I know that his bureaucrats will tell him it cannot be done. Having served a very great minister of finance as his parliamentary secretary over ten years ago, I know it can be done. Where there's a will, there's a way.

The government must bring down a budget within six weeks, not white papers full of loopholes but a budget indicating its real and meaningful intentions. That budget should indicate at least a \$1½ billion tax cut across the board coupled with a \$1½ billion cut in current government expenditures. I am not going to fall into the old question and answer game of what specific programs should be cut.

An hon. Member: Information Canada.

Anti-Inflation Act

Mr. Grafftey: Information Canada, right out the window, \$15 million. I know the old game. It might have been relevant ten years ago. The member from the New Democratic Party who spoke just a few minutes ago, as well as the other economic illiterates, should pay some attention to better management of programs. I can suggest better management of the UIC without changing one iota of the substance of the law. In other words, there should be better co-ordination between UIC offices, in Sherbrooke and everywhere else, and Manpower offices. Better administration of this fund alone would save the taxpayer about \$1 billion a year. There should be better management of medicare. This would save money. Therefore, don't ask me what programs should be cut.

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If they only thought this was important, then along with the \$1.5 billion tax cut which should come with a new budget within six weeks, we could secure a saving of at least \$1.5 billion in current expenditure, not by eliminating programs but by increasing efficiency, and the gain in credibility would be enormous. The only way in which the government could demonstrate to the Canadian people that it was really serious about a program of restraint would be to adopt such a program as I have described. Do not expect to build up in the private sector the good will which will be needed in order to make this program effective in the absence of a positive commitment from government itself.

I should like the government to indicate that the growth in fiscal expenditures for the next budget year is to be frozen at 8 per cent and that there will be an immediate freeze in the expansion of the bureaucracy—this includes the army of minions to be set up across the country to enforce this legislation.

What is even more important, this new budget must be one designed primarily to get the economy moving again. The government must stop bad-mouthing the private sector. All the businessmen I have talked to—businessmen who are every bit as good Canadians as we are, working hand in hand with labour and making this country go—say that when they come to Ottawa they have a feeling that the Prime Minister and his cabinet think they are a bunch of criminals.

Some hon. Members: Oh!

Some hon. Members: Hear, hear!

Mr. Grafftey: I have spoken to businessmen from one end of the country to the other, some of them well into their sixties. And they tell me that never in all their working years have they come to Ottawa and met with such a lousy and unsympathetic hearing from a government, which one day is anti-labour and another day is anti-business, depending on which minister is speaking.

An hon. Member: And what are you?

Mr. Grafftey: I am in favour of government, labour, and business working together in co-operation.

Some hon. Members: Hear, hear!