

*Anti-Inflation Program*

Department of Regional Economic Expansion. Second, farmers in Canada, whether they reside on the prairies, in the north, or on the east or west coast, will be affected by the cutbacks concerning the Farm Credit Corporation and the crop insurance program.

**An hon. Member:** Shame!

**Mr. Broadbent:** Third, families on the east and west coasts will be affected by cutbacks in the fisheries program. This will create real hardship for Canadians engaged in the fisheries particularly on our eastern coasts who already are suffering.

Fourth, those dependent on railways in Canada, on our transportation system, will be hurt. Here I am particularly thinking of Atlantic Canada, the prairies, and northern Ontario. The people in those areas are going to be seriously hurt by the government's cutback aimed at the CNR.

● (2100)

Fifth, every Canadian family, particularly the poor, will suffer as a result of the family allowance cutback. Some five million or six million Canadians, including over 50 per cent of the pensioners in Canada, live at the poverty level. The poor families in particular, that is, men and women with children, will suffer by the cutback in family allowances.

The change that was announced by the government to curtail the indexing of family allowances means approximately a \$27 cut per child. I hope the government is happy. I hope it is pleased with that measure that has such profound effects on the millions of Canadian families who exist at the poverty level.

As a party we would not and do not favour the cutbacks in good programs. In fact, instead of cutting back in a number of good programs there should have been some increases, particularly in those programs that effect low income people so that they would be better able to cope with inflation.

The fundamental point is that the government does not recognize that inflation in Canada is not due simply to all kinds of spending in the public sector. The New Democratic Party asserts that there is unnecessary spending in the private sector, whether it is on hotels being built in Montreal, Toronto, or Vancouver, on shopping centres being built in virtually every town in the country or, as my colleague said, on the Olympics. Spending in the private sector is every bit as inflationary in terms of its impact on the economy as is spending in the public sector.

**Some hon. Members:** Hear, hear!

**Mr. Broadbent:** In accepting the view that all federal government spending is inflationary, I say with care and seriousness that what the Liberal party has done is to accept a mode of thinking that I thought had disappeared from serious economic thought back in the 1930's. However, the Liberal party has resurrected it in 1975. I would dare to think that even McKenzie King would be surprised at the kind of announcements we have heard here tonight.

**Mr. Peters:** That is probably where they got them from.

[Mr. Broadbent.]

**Mr. Broadbent:** Apart from the fact that an NDP government at this time would be cutting out the bad programs, leaving in the good ones, and indeed increasing spending in those that are necessary for low income people, I would like to say there are two particular items that have come before the House this afternoon and this evening on which I cannot forgo comment.

The first is the announcement made with a great deal of pride that the government is going to curtail any increase in the salaries of MP's and senior civil servants. Well, Mr. Speaker, it is a little late to act in that regard. Last year the government made us the highest paid elected members of any parliamentary system in the world.

**Mr. Dick:** That's bullshit.

**Mr. Broadbent:** I have obviously touched a sensitive chord.

**Some hon. Members:** Oh, oh!

**Mr. Speaker:** Order, please. There seems to be an element of disagreement with the statement made by the hon. member.

**Some hon. Members:** Hear, hear!

**Mr. Speaker:** Perhaps that debate might be reserved for some other time. It would be preferable if the hon. member for Oshawa-Whitby (Mr. Broadbent) would finish his remarks at this time.

**Mr. Broadbent:** It is obvious where the sense of priorities of certain people lie. They were distinctly quiet when I was talking about the poor in Canada. When I get on to the matter of their salaries, they get a little upset.

The point I was making is that the government is acting a little late with regard to MPs' salaries. It is a bit late in terms of the serious increases that came last year. However, we welcome the announcement that they are going to be curtailed. It would have been nice to see this done last year rather than bring in the increase they did.

In terms of senior civil servants, it is almost laughable. The Liberals really outdid themselves. They spent at least a half hour listening to the opposition. Now they are back to their traditional role of yapping incoherent comments from the backbenches.

During the time the Prime Minister has been in office there have been increases in senior civil servants. In 1968, there were 381 in the SX category, the top category which begins at \$27,000. After 1973 that figure had increased to 895, an increase of more than 100 per cent.

The President of the Treasury Board (Mr. Chrétien) announced with a sense of self satisfaction that these upper income civil servants are not going to get another increase. I hope not. It was just four weeks ago that they received an additional \$6,000, one of the highest increases ever. I do not see it as a supreme act of self denial on their part, when they just got \$6,000 a few weeks ago, not to get another increase next year. My colleagues and I are not exactly impressed with that announcement.

I took a great deal of interest in the concern of the Minister of Finance (Mr. Macdonald) this afternoon that