

The Budget—Mr. Saltzman

• (4:10 p.m.)

for a government to be so oblivious to the heartaches of the prairie people. How shortsighted can they be? If the farmer goes, a livelihood on the prairies goes with him. Perhaps the government's policy is to let nature take its course and let the farmer go broke. If so, let the government say this. At least it would be more honest than its present policy. The government, by its indifference, seems to be proposing a solution of a kind, the solution of the grave. In the past we have had too many solutions of this kind and the country is strewn with and haunted by the ghosts of that neglect. Will the government later try to revive the corpse with industrial incentives, paying as they seem to be willing to pay up to \$1 million in order to create 33 jobs? How much better and decent it would be to provide help now. It would certainly be much cheaper and far more effective.

It seems to us that two kinds of assistance are needed. The first is immediate cash payments to the farmer to keep him and his community going. The second is long term programs which would take into account heavy capital losses in the farm community. The farmer is not asking for special treatment, nor are we. After all, the government is willing to help industry which is hurt by the Kennedy Round changes through assistance programs. Is the farmer less entitled, particularly when he has reason to believe that industry has benefited at his expense?

The government must do something about interest rates. The cavalier attitude of the Minister of Finance the other day, when answering a question by the hon. member for York South (Mr. Lewis), is really to be condemned. Interest rates are rising fantastically in this country and yet the minister's attitude seems to be that it is a good thing to let interest rates rise because it holds down inflation. Surely that myth has been exploded a long time ago. Interest rates have a great effect on employment. A real attempt must be made to do something about them.

During the debate on the Bank Act we stood up in the house and pointed out the difficulties that would arise if the interest ceiling were removed from bank loans. At the time the argument was: You cannot do this to the banks and let the other institutions off scot-free. We asked that the federal government seek a meeting with the provinces to point out the difficulty and take some action in bringing all financial institutions under an interest rate program.

No one is naïve enough to believe that we can simply dictate whatever interest rate we desire or can hold back the dike on rising international interest rates. But it seems to us that, while recognizing some of the limitations involved in the pricing of money, we can do a number of things which should be done. Whatever the defects of the ceiling may have been, at least it acted to restrain a rapid rise in interest rates. An attempt must now be made to place some control on interest rates.

We believe that Canada is being challenged today as it has never been challenged before. We think there are great dangers to our economy. There is the danger of our being taken over by continentalism. We are gradually being absorbed into the industrial structure of the United States without having any say whether this is where we want our future to go. There are inequalities in this country between the rich and the poor. There are shoddy values—a value system that says we can put more chrome on cars but we cannot build more houses, a value system wherein we spend more on soap and deodorant advertising than we do on correcting the pollution of our air and waters with which Canadians must live. There is a great gap between what we are doing and our potential.

Inflation is a great danger. It creates problems but surely it also creates opportunities. I suggest that at this time we have the opportunity to increase the productivity of this country. Our greatest hope of reducing the inflationary forces and containing price rises must surely lie in the direction of improving the efficiency and productivity of our industry. We have spoken on this subject many times.

One would have thought the minister would take the opportunity provided by this budget to do something about the problem. It is the presence of a danger that stimulates people to take action that they might otherwise not have taken. Instead, the minister has given us a budget which is a stagnant wasteland of squandered opportunity. It is a budget in which we have no confidence, a budget that I hope will be defeated. Therefore, Mr. Speaker, I move, seconded by the hon. member for Comox-Alberni (Mr. Barnett), the following subamendment:

That the amendment be amended by adding at the end thereof the following words: