

*The Budget—Mr. Lewis*

the price down in Canada to a fair price and sell commodities outside at the international price outside. If you do not have some kind of control of the exports, the commodities would flow out of this country. Why should the minister worry about retaliation? Why is it that Washington can do anything it wishes to protect the interests of Americans and the Canadian government gets down on its knees every time it has to do something to protect the interest of Canadians?

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

**Mr. Lewis:** No one suggests that export controls would be intended to interfere with normal export trade. All that would be required would be to make sure that the portion of production to stay in Canada would remain in Canada. These gentlemen are always afraid of taking steps that require courage.

The proposal we made for a national price control board with power to roll back and hold back unjustifiable price increases in areas where that control could be made with effectiveness and in a practical way would be an immense good for the people of Canada in this difficult period.

I agree with the minister that a large part of the inflation is international. Let no one suggest, here or elsewhere, in the next number of weeks that they have a wand which they will wave and the inflation will disappear. I hope that neither the Leader of the Opposition (Mr. Stanfield) nor any of his colleagues will descend to that kind of dishonesty because no one in Canada, or anywhere else for that matter, can wave a wand and get rid of all the inflationary pressures in the world.

We are a fortunate country in that we produce many of the things we consume. We have a wealth of resources and a well developed manufacturing industry, although it is not very rational because of the foreign control of manufacturing in many areas. However, it is a well developed manufacturing industry and we do have a well developed processing industry. The population of farmers across this country is second to none in productivity and in its ability and dedication to production.

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

**Mr. Lewis:** We have the minerals, food, fisheries, processing and manufacturing capacity. We have a people that are educated and trained. Because we have these riches, it is possible for Canadians, the Canadian government and parliament to do a great deal to reduce the burden of the high cost of living on ordinary Canadians.

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

**Mr. Lewis:** In order to do any good or accomplish anything, it is not gimmicks that are needed. The minister referred to other people suggesting gimmicks. I will have something to say about some of his gimmicks in a moment. In order to do any of these things in an effective way, what is required in a modern society is the will, courage and imagination to intervene in the market place, instead of leaving the market place in the hands of the corporations.

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

[Mr. Lewis.]

**Mr. Lewis:** The reason the Minister of Finance did not do that is he is a Liberal. Because he is a Liberal, he is still governed by the old fashioned notion that the market place is free. Like hell it is, Mr. Speaker.

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

**Mr. Lewis:** I use that word with deliberate intention. It is not a free market place. The large corporations of this country control the market. With their advertising campaigns and funds, they persuade Canadians to want what they do not need, to need what they do not want and to pay the sky for it.

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

**Mr. Lewis:** It is because the minister is wedded to the old fashioned notion that the market place is free that he wants the free market to continue. Obviously, it is not free. Because it is not free, it continues at the expense of the Canadian people.

He then threw out the idea of a 6 per cent interest rate on mortgages. I never thought an intelligent Minister of Finance, and the Minister of Finance has intelligence—

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

**Mr. Lewis:** I am not going to withdraw that. It is the truth. If it is damning him with feint praise, I cannot help it. The minister has intelligence. I never thought an intelligent Minister of Finance would give the reason he did. He said he cannot support the 6 per cent mortgage interest rate because that would push up the demand for houses and put prices up higher at a time when we in Canada have over a half a million unemployed men and women to produce the homes that are needed. We have all the materials in Canada to build the houses and housing units that are required. It is necessary to build more homes. Certainly, the 6 per cent interest rate or any other provision that would assist the purchaser of the home would not produce the houses that are needed by the Canadian people.

What did the minister say with regard to producing homes in Canada? He said he had no gimmicks. He was not using cosmetic policies. He was not using draconian policies as far as the corporations are concerned, but he was using cosmetic policies when he said his solution to the home ownership problem in Canada would be to allow people who can save up to \$1,000 a year to a maximum of \$10,000 in their lifetime to deduct that saving from their income tax.

The first question to ask is how many young Canadian couples make the kind of income that would enable them to save \$1,000 a year? The minister ought to have looked into that. To save \$1,000 a year on top of taxes and everything else is very difficult. I suggest the minister would be lucky if 20 per cent of young married couples could save \$1,000 a year for this purpose, in addition to everything else.

The second question to ask is, what does this deduction mean? It will help the wealthier young couple a great deal more than the poorer couple. The young couple who can only save \$200 a year and who pay an income tax rate of 25 per cent will only save \$50 in taxes. However, a young