

So, is it possible that in a country like ours, capable of producing as much as we can, we should be told by our government that we will have to tighten our belts, that our production is not up to par and that, consequently, people will have to be urged to produce more. But to produce from what? Everyone knows that to produce, one must have, in the first place, the raw materials. And the raw material, we have them. Is there one hon. member in this House who can say that Canada has not all the raw materials required to produce all that we need? Who can say this? Is there one hon. member who would dare stand up and say that Canada does not have the natural resources required to produce everything we need, and this in all areas, namely food, clothing, construction and so on? This is the question we should ask ourselves.

Now that we have all the resources required, what else do we need, Mr. Speaker? Labour? Not with an unemployment rate of up to 10 and 12 per cent in some parts of the country. Then we have enough labour to produce whatever we need. What is lacking? Money, or rather the permission the government should give to issue the necessary credit to set production in action. For that matter, if the government had guided its policy in this direction, we would never have reached the point where we are today because, Mr. Speaker, if we try with economic means to achieve this equation, this perfect balance between the production we need all over the country on the one hand and on the other hand, the possibility of consuming this production, the problem of inflation will no longer exist. But when we have a government and leaders who admit candidly, as the Right Hon. Prime Minister has done in answer to my question this afternoon, that we borrow money by means of government savings bonds at a 9½ per cent interest rate which we lend interest free to foreign countries. Mr. Speaker, to borrow money at 9¼ per cent interest to lend it interest-free, that is bordering on ridicule. Come on!

Mr. Speaker, why a government leader simply answers that we cannot lend interest-free money within Canada? Because we have to borrow that money: this is the best joke I heard today. I will come back to that tomorrow so that the prime minister may not sound so ridiculous.

Then, Mr. Speaker, when a government has been warned and told what should be done, and the honourable Parliamentary Secretary to the Minister of Finance (Mr. Trudel) comes and asks us what are the suggestions? He must have been kidding when he said that. Usually, every time we have the opportunity, we are very careful to dot the "Is" and never do we criticize in a totally negative way; on the contrary, we always seek a proposal to counterbalance the negative criticism which we have the right to offer, right which we exercise.

This is why our motion ends in that way—when I hear the hon. member saying that we did not propose any concrete solution—that our motion ends in that way and I quote:

—and to make loans available to the provinces at an interest rate not exceeding the cost of administration.

In my opinion, this is a very concrete suggestion and we are sure of this statement. Moreover, if this was not true, if there was no opportunity—

Mr. Trudel: Mr. Speaker, I rise on a point of order.

Canadian Economy

The Acting Speaker (Mr. Turner (London East)): Order, please. The honourable Parliamentary Secretary to the Minister of Finance (Mr. Trudel) rises on a point of order.

Mr. Trudel: Mr. Speaker, may I make a remark. I think that I did say in my remarks, that some solutions were put forward about which I would like to talk, and which were presented by a colleague of the hon. member. Now, I did not have time to discuss them, but I wish I had. Maybe the hon. member took it the wrong way, or perhaps he just misunderstood. I want this to be recorded in *Hansard*.

Mr. Matte: At any rate, if the hon. member had not quite well understood then, I hope he has now and that he will prevail upon his colleagues to accept it.

Mr. Speaker, before concluding my remarks, I would like to point out that in this Parliament there is a dedicated political party whose existence depends on the economic policies he has put forward in order to fight inflation, which should not be ignored when we see even today that our neighbours to the South have understood the need to fight inflation by decreasing the interest rate. Indeed the *First National City Bank* in the United States is reported in the Sept 22nd 1975 issue of *La Presse* as having announced that it would lower its interest rate from 7.25 to 7 per cent.

Mr. Speaker, why don't we, here in Canada, go ahead since inflation can only be controlled by decreasing the interest rate, which would result in making borrowing easier and hence increasing production and really fighting inflation.

[*English*]

Mr. Deputy Speaker: The hon. member for Pembina (Mr. Elzinga).

Mr. Elzinga: Mr. Speaker, if it meets with the approval of the Chair I would call it six o'clock.

Mr. Deputy Speaker: Is it agreed we call it six o'clock?

Some hon. Members: Agreed.

[*Translation*]

Mr. Blais: Mr. Speaker—

Mr. Deputy Speaker: Is the hon. member rising on a point of order?

Mr. Blais: No, Mr. Speaker. I was simply asking for the indulgence of the House to have the floor and carry on with the debate.

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair until eight p.m.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.