

did say on one occasion that he felt that trees were dangerous. They produced carbon dioxide, he said, which was polluting.

The Leader of the Government said that he wants to reduce the ratio in connection with our economy, our GNP, and government revenue, to pay off the interest on the deficit.

There are several ways of doing that, and the very best has been advocated by a minister of the Crown serving in this government, namely, Mr. Sinclair Stevens—and that is growth; and growth means that there will be a reward out there for investment, a reward due to the fact that the investor knows that there is a demand for a product. He will then invest to produce it.

But the measures that this government has taken are cutting demand. People will be buying fewer things, and if they buy fewer things, which businessman in his right mind is going to buy more equipment or activate more of his idle equipment in order to produce these “more things”? Therefore he will not hire back people who are now unemployed. If they are not hired back, they are either on unemployment or welfare, and that increases the deficit and they do not pay taxes. There is that aspect of it.

This is an aspect that the Japanese have understood very clearly, and what they do is to forget about the deficit or the national debt—and theirs is higher than ours. They worry about stimulating full employment.

There are other questions that the government does not ask itself. If a national debt of X is bad, then a national debt of three and a half times X should be worse. Well, our national debt per capita today is three and a half times bigger than it was in 1939. Yet today every Canadian, after allowing for inflation, has three and a half times more disposable income after taxes than he had in 1939.

How can that be—a larger national debt, yet we are better off? How can it be that in 1939, when the national debt was three and a half times smaller, only 5 per cent of our young people could get to university compared to 22 per cent now? We did not have a health service then, but we do have one now.

Only 42 per cent of our homes then had interior plumbing. It is now 92 per cent.

The national debt, the deficit, has grown, but the welfare of the country has also grown. Japan has a higher deficit than we do, a higher national debt than we do, yet they are better off, and they are growing. There are other ways of looking at things rather than the Thatcher way.

This is what our leader, the leader of the majority in this house, was trying to convey. He was very generous and very nice—much nicer than I am inclined to be—and he did not mention the fact that there is one thing that galls, and it is one of the reasons why there has been so much criticism in the press, and why some of us feel rather indignant about what has been presented in this budget. That is the sanctimoniousness of all the statements that we have heard; the fact that promises were made to people who can ill afford to have such promises broken, such as the elderly; all those sacred trusts that have

[Senator Gigant]

been flying around, and the lecturing to which the country has been subjected—the lecturing about somehow we now have right thinking, prudent, frugal people who somehow are going to correct everything by cutting jobs and by cutting unemployment at the same time; by stimulating investment, but also stimulating saving; by doing contradictory things in a budget that contradicts itself and seems to represent the basic contradiction in the party which is now governing, which calls itself, by an antimony, Progressive Conservative—an antimony that does not make sense, as this budget doesn't.

Motion agreed to and bill read second time.

THIRD READING

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the third time?

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(b), moved that the bill be read the third time now.

Motion agreed to and bill read third time and passed.

WESTERN GRAIN TRANSPORTATION ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker pro tempore informed the Senate that a message had been received from the House of Commons with Bill C-44, to amend the Western Grain Transportation Act.

Bill read first time.

SECOND READING

The Hon. the Speaker pro tempore: Honourable senators, when shall this bill be read the second time?

Hon. Efstathios William Barootes, with leave of the Senate and notwithstanding rule 44(1)(f), moved that the bill be read the second time now.

He said: Honourable senators, Bill C-44 amends the Western Grain Transportation Act. This legislation represents a commitment to protect grain producers against sharp increases in freight rates, to remove the 31.5 million-tonne volume cap, to make railways more accountable to producers, to provide a more stable, predictable and rapid means, a more simplified means, of setting rates, and to enshrine the government's commitment to branch line rehabilitation. It is meant to provide producers with a stronger voice in grain transportation. The Western Grain Transportation Act was passed in 1983, two years ago. It replaced the historic Crowsnest Pass freight rate under which farmers paid an unchanging rate with a new rate setting formula, including a \$658.6 million annual payment.