

Canadian Economy

monetary policy. Naturally, our fiscal policy will be contained in the forthcoming budget. A budget, in short, is a statement of the fiscal policy of a country.

Mr. Speaker, the hon. member for York-Peel is asking us to bring down another budget now. We have yet to reach an agreement with Alberta on energy matters. We have already had one budget without any such agreement. The Progressive Conservatives also brought down a budget without an agreement having been reached. Surely they will admit, as I do, that it is hard to know what our sources of revenue will be without such an agreement. As far as I am concerned, I am of those who hope and believe that we should try to come to an agreement with Alberta before having a new budget, in order to know exactly what our revenue base will be. Once we know that, it will be much easier to develop a fiscal policy that will stand on its own. In addition, Mr. Speaker, and I am quite willing to admit that government expenditures must be cut back—I am the first to admit it—but not at any cost, however, nor at the cost of selling off, just like that, all Crown corporations; on the contrary. The state still has a role to play; it remains a driving force; however, Mr. speaker, I do not feel that it should be involved in every sphere of the economy. So, I say a fiscal policy after an agreement with Alberta, because then we shall, in fact, know what our sources of revenue will be; a formal commitment, on the part of the government that takes into account the human element, a formal commitment to always be present while, on the other hand, giving free enterprise a certain leeway to operate, because that is very important.

Mr. Speaker, I know my time is almost up and to sum up, let me say that I know or at least I hope that all hon. members in this House realize the significance of inflation rates and the consequences of interest rates. We may disagree on the steps to be taken. I have suggested one or two and would like to hear something constructive, something positive from the opposition. I for one can assure you, Mr. Speaker, that the fact that these people are Progressive Conservatives is no reason why I should not listen to them: on the contrary, I always listen to them; but I would like to hear something meaningful; in fact I wish we could find together a solution to all those problems, for the sake of all Canadians.

Mr. Kilgour: Mr. Speaker, I should like—

● (1530)

[*English*]

The Acting Speaker (Mr. Blaker): I will recognize the hon. member for Edmonton Strathcona (Mr. Kilgour), but I should indicate to him that if he is rising on a point of order to question the hon. member for La Prairie (Mr. Deniger), that is not possible without the unanimous consent of the House. The hon. member is entitled to seek the unanimous consent if he wishes.

[*Translation*]

Mr. Kilgour: Very well, Mr. Speaker: let us drop the matter.

[*English*]

The Acting Speaker (Mr. Blaker): Well, then, the hon. member has resolved his own question.

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): The issue that we are debating here behind all the talk is one thing, that is, interest rates. One can call it barren economic policies. This motion does. Basically, the sin that we are discussing is the fact that the government has been following a practice, which the previous government and the government before that followed, of accepting advice on economic, monetary and fiscal policy based on a type of approach that has been proven quantitatively wrong over the last 20 or 30 years.

In their last major national conference in Montreal, economists admitted they did not know and could not explain where they had been. They admitted they did not know where they were or where they were going. If economists could have admitted their complete failure to understand the system on which the world is working, I would think it behooves us in Parliament to be a little humble and accept the fact that neither do our advisers in Ottawa, our capital, know where they are. I use that as a starting point.

We have had a good demonstration today of the words "barren economic policies". I am sorry that the Minister of Industry, Trade and Commerce (Mr. Gray) left because I was going to make a comment or two. I sat with the minister when he was in the opposition. In that short period of government, I was happy to be on the government side in a committee where most of us in all parties agreed, that the ordinary members of Parliament had to take over from the cabinet and the ministers on the grounds that they had accepted this fallacious economic theory of the bank governor and the Department of Finance. The Minister of Industry, Trade and Commerce was loud and outspoken in his acceptance of the fact that the advice we were getting from the bank was wrong. He was outspoken in his acceptance of the fact that the advice we were getting from the government was wrong because it came from the same source. The hon. member now sits as a minister. He said it is all right to pay 20 per cent interest because the Minister of Finance (Mr. MacEachen) had said that the people of Canada are so wealthy that they can afford it. Last week the Prime Minister (Mr. Trudeau) said in this House that the ordinary people of Canada are 50 per cent better off than they were ten years ago. Everyone thought that must mean that the government is doing a wonderful job.

● (1540)

I will not go over that barren ground of statistical statement which reached the point a number of years ago that the minister in charge of the Canadian Wheat Board—who is no longer in this House—wrote a report to prove, on the basis of figures supplied by the then Bureau of Statistics, that the farmer was never wealthier than he was five or six years ago. I do not have to say what has happened to him; brilliant as he