

surely the role of Government is to have policies in place where they can move in and lend their energy to the benefit of the nation as a whole rather than be on welfare as they are now.

That 24 million acres compares with the days of Sir John A. Macdonald and Sir Wilfrid Laurier when we opened up the west. Indeed, the Government virtually gave a quarter section of land to a couple to get them to go out and develop it. We could give a section or two sections of land today to young families who could go out and develop that land. They would have moved into the land and we would have roads, schools, houses, along with the multiplier effect on the economy. It would have been like a brand-new west.

I just want to say, Mr. Speaker, that Canadians should beware of their government when it offers something for nothing. As farm people know, I suppose better than most of us who were born in and essentially live our lives in the city, that you really cannot do things as a nation that you cannot do as an individual. The farmer knows that when you spend more money than you make, even though you may fool your neighbour for a year, two years or even five years, ultimately you are going down the tube. The nation is no different from the individual in that respect, Mr. Speaker.

● (1710)

That is how the Liberal Party got us into such trouble. It offered something for nothing. For years, as a result of rising inflation and deficit financing it was able to offer all sorts of attractive programs to Canadians. Of course, we all liked that. While we were getting those programs, we were able to keep the low capitalist tax. We had tremendous programs with low taxes. The trick was that the Government borrowed the difference. That was no problem in the first year; it only increased the national debt by about \$1 billion. The interest to service that debt was around 5 per cent of tax revenue but it became 10 per cent, 15 per cent and even 20 per cent. Now it is over 30 per cent even the Liberal Government recognizes that it has to cut back.

While we had the programs and the low taxes, the Government borrowed the difference. People paid far too much for land and for businesses. They took on homes with huge mortgages. Now they cannot do that any more and taxes are increasing to match the programs. People are dropping like flies because they do not have the cash flow to handle their debts. This all goes back to a Government decision, Mr. Speaker, not to individual decisions, because Canadians responded to an economic climate set by the Government.

What was the second bad policy the Government used, Mr. Speaker? It was the energy policy, an incredibly important commodity to agriculture. As a result of the decisions made regarding energy in the 1970s, the Liberal Government destroyed the automotive industry in this country. It is now in the process of destroying the energy industry and, to a substantial degree, the agricultural industry. In the 50 years prior to 1970 the western industrial nations kept the price of oil at approximately \$2.35 per barrel coming into Montreal. That

#### *Farm Loans Interest Rebate Act*

was the result of a conspiracy between the western industrialized nations and the "seven sisters" in the oil industry who acted as our agents.

Any time a producing oil country anywhere in the world tried to get value for the oil—because they knew that a barrel of oil should be sold for more than \$2.35—they were ruthlessly cut off by the western oil conspiracy. That went on for 50 years. During that period we converted from the horse and buggy to high energy consuming tractors, combines, cars and trucks. Trains switched from coal to diesel and the whole system became dependent on cheap fuel.

In the early seventies the OPEC nations got their act together and drove the price of energy up to its true worth in comparison to manufactured goods and other commodities. What did the Governments of the United States and Canada do? They were not going to be blackmailed by a bunch of Arabs; That is what they said. They said they would keep the price of oil down. They did, but what was the effect of that? It sent signals to the automotive industry to produce big cars and to individual Canadians to buy big cars. Meanwhile, Japan and Germany, which had to go immediately to the world price, turned their intellectual creativity to the production of cheaper cars that used less energy. Now, some eight years later, the Japanese, German, and other manufacturers are beating the Canadian manufacturers hands down. Tens of thousands of people are unemployed in the automotive industry as a result of a Liberal Government decision, consciously and deliberately taken in the early 70s when it was trying to help people.

In fact, other people were injured by that decision. When an automotive worker does not work, a steelworker does not work. When an employee in the oil industry in western Canada does not work, that means that someone in the automotive industry does not work either, because people in western Canada buy cars manufactured in central Canada. The pipe used in the oil industry is manufactured in Hamilton and the rail cars used in western Canada are made in Hamilton and in Nova Scotia. We are interdependent, Mr. Speaker, so we need to watch governments very carefully.

The Government said it would not go to world price for oil but would hold down the cost of energy. Canadians believed the Liberal campaign machine but things turned out to be the exact opposite of what it claimed. The Conservative Party told Canadians that we need to pay more for energy in this country because that would result in the production of cheaper and more efficient cars. It would also provide the money for new oil sands plants so that synthetic crude could come into production and money so that oil could be brought in by producers in the Arctic and off the east coast.

The Liberal Party did not want to leave the initiative with private industry but rather but with Government. Now we pay almost world price for oil, but most of the increase goes to the Government by way of taxes. For every gallon of gasoline used on the farm, some 60 cents goes to the Government as tax. The Government then decides how that money is to be spent.

In the oil industry in this country things are not as they were in the old days, when someone got hold of the seismic data and drilled where they thought there might be oil. Now they have