

The Budget—Mr. Caouette

means to take part in a third world war. We do not have the money now to face a war. If the financial system is unable to fight poverty and insecurity in Canada, it is certainly unable to finance our participation in a third world war. We will object to it very strongly, precisely for the reasons I just stated.

Some hon. Members: Hear, hear.

Mr. Caouette: Why did not the Minister of Finance and Receiver General advocate in his speech the creation of a bank for municipal affairs, for instance? Today, all our municipalities, whether in Quebec or in the other Canadian provinces, are burdened with debts they will never be able to repay. As a matter of fact, 50, 60 per cent of their budget are earmarked for the interest on their debt alone. Why not provide for the creation of a bank for municipal affairs to provide the municipalities with interest-free financing, as is done for some countries?

I am not saying that we must stop helping foreign countries which need help, no, but let us start by helping those who need help right here. But that is forgotten, there is no time for that. The minister does not say a word about that in his budget speech. He removes the 12 per cent tax on pills. War on poverty? The minister no longer mentions it. What will the minister do in a few months when he will meet the representatives of Canadian provinces at a new federal-provincial conference, where all the provinces will be asking Ottawa for more sources of income? What will the Minister of Finance and Receiver General answer to the provinces of Quebec and Ontario which are now receiving equalization payments.

The minister has no solution. There is nothing in his budget speech to take care of that. The minister merely states that to maintain the present prosperity, income tax should not be increased but that the tax on drugs should be removed or decreased because we will register a deficit of \$740 million.

• (4:30 p.m.)

What is the solution? There is none. The Conservatives move and amendment to say that the government has failed. It is true. When the Conservatives were in power, the present government members were sitting in the opposition and saying: "The government has failed." It is true. My friends in the New Democratic Party say the same thing: "The government is a failure".

But what have the governments been doing since confederation, in the last 100 years, in

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the monetary field? Nothing. That is the whole problem. The whole problem is one of administration of the financial system, and yet, the government does not take that into account. Or rather, it takes it into account. Certainly. It removes the tax on pills.

Mr. Speaker, the creditistes have a solution which differs from that of the government. It is completely different, because the government's is not really a solution. The government flounders in a system which, instead of offering solutions, creates problems. So, we have this fine example where problems are created. And when the time comes to solve a given problem, another one is created.

To get rid of one debt, they run into more debt. What an intelligent system. It is a very intelligent system and, mainly, quite adapted to the needs of the Canadian people.

In the light of the recent budget of the Minister of Finance, we realize, once more, that the financial situation in Canada becomes increasingly complex and gloomy for Canadians as a whole.

That budget speech seems to me like a skating mini-performance in the present financial system which, in fact, does not solve anything—that is the reason why the Minister of Finance leaves the house—but creates problems. Besides, the response of the people to that budget has been one of apathy and some relief. Of apathy, because there is nothing in the budget to cause any enthusiasm. Even the Liberals are disappointed with that budget; my friend the hon. member for Champlain (Mr. Matte) is one of those. It is also a reaction of relief, because all Canadians feared new tax increases.

The minister announced that new taxes will come later, in the fall. According to the minister's statements, we notice that it is a mere postponement. In fact, a new mini-budget is forecast for the fall, when we will be told that the treasury inevitably has to be replenished. Then, it will be the other side of the financial picture which the minister dares not show us now.

Where is the Canadian economy going? Nobody knows. That is why the government, in my opinion, makes short-term plans, that is for a short space of time, a few months, two months, three months, six months perhaps, at most. Is this the way to govern a country?

I should like to say to the Minister of Finance, on behalf of the Ralliement Créditiste and my fellow citizens, that the Canadian people have the right to know where the economy of their country is going.