

*Supply*

money which is required. I suggest that the minister begin by selecting an industry that may be able to meet two objectives, one being social need and the other being employment requirements.

The minister asked about an incomes policy. How does he expect people who cannot now pay their bills on the incomes they earn to accept that they should receive less than the increase in the cost of living? How can the minister argue that an incomes policy that will give people wage increases lower than the cost of living increase is reasonable, given that many of them are now faced with the prospect of losing their homes and being unable to provide for their families?

The minister may sit with his back to me if he wishes but that does not alter the facts. The facts are that the minister cannot expect the vast majority of working Canadians, who are at this very point in time barely eking out an existence because of the ridiculous economic direction this government has taken, to survive somehow on an increase which is less than the cost of living. You can argue it all you want but it does not wash in the minds of the majority of Canadian families.

● (1630)

Then, of course, there is fiscal policy. The minister talked about how the opposition has an opportunity in committee to reduce estimated expenditures. Try it! Just try it and see what happens to you. You will be quickly beaten down by this overwhelming majority of subservient backbenchers who insist that this government, though it is wrong, must be right because they have more numbers than anyone else. That is not the way Parliament is supposed to work. If the minister were fair and honest about it he would say there is no opportunity for opposition members to reduce government expenditures, there never has been and there never will be. To make that kind of argument is to tell other than what everyone knows to be true.

What is really wrong in this country? There are a number of serious things, but I want to put to the minister quite bluntly that not all of them require government expenditure. We proposed not two weeks ago that if the government wanted to give substantial aid to the auto industry and thereby create large numbers of jobs all across this country, it could simply impose on imported vehicles a level of entry consistent with what other countries—Japan being the prime example—impose upon us without legislation. If we were to restrict their sales volume until such time as they bring their production in Canada up to a point which begins to meet that sales volume, that would have a beneficial impact on the manufacturing sector, which is currently Canadian or at least operates in Canada, and produce tens of thousands of jobs for Canadians. If we wanted to, we could take steps to protect the shoe manufacturing industry in Canada, because without that industry the price of footwear will rise by leaps and bounds. We could take steps which would not cost this government dollars out of its pocket. But the government refuses to act.

We could have taken steps some time ago, Mr. Speaker, to protect the farm machinery industry. We could have instituted a plan which would have made it more attractive to farmers to purchase that machinery now rather than delay it for two or three years, when the only place they will be able to buy it would be outside Canada, because the industry here will no longer exist. We could have embarked on the kind of housing program which I put before this minister and the minister responsible for housing on numerous occasions, which would have created for forestry workers in British Columbia and other parts of Canada the opportunity to work rather than go to the unemployment insurance office. But the government turned it down.

The government says we have no concrete proposals or policies to offer, so therefore it does not want to listen. Well, I suggest to the Minister of Finance that our policies, as opposed to those currently being used by the minister, would work for Canadians.

The Minister of Finance tells us that interest rates all around the world are high, therefore ours must also be high. That is patent nonsense. Go to Great Britain and see how much mortgage interest rates are. They are at least 50 per cent below our levels here. I say to the minister that when he starts talking about these things, for heaven's sake man, go and find out for yourself. Mortgage interest rates in the U.S. are considerably below those rates charged for other commodities. Mortgage interest rates in Great Britain are down to 10 per cent and below, which is half of what ours are. Mortgage interest rates in Europe are considerably below the normal interest rates charged for other manufacturing of commodity purchases. They treat that sector of the economy as it should be treated, as an essential part of an economic package and a social need. It is a number one priority in guaranteeing people will have an opportunity to get accommodation at a price they can afford.

But what does this government offer? This government offers a never-never scheme, a program where you can take your interest and add it to your principal and never in your lifetime will you be able to pay off the mortgage. Other parts of the world require by law that affordable mortgage interest rates be made available so that people can obtain the accommodation they need.

What has happened in this country that it has now become more attractive for people to buy an investment certificate or a bond rather than put their money into risk ventures in the hope of making some real gain? What has happened that it is now more attractive to hold a guaranteed mortgage certificate than it is to hold stocks in a blue-chip company? We have allowed interest rates to become the single lever with which we are going to manage the economy and it does not work. It cannot work. It cannot possibly be expected that there would be growth in the economy if people can get more by putting their money into a guaranteed investment certificate. You just cannot win that way, and I say to the minister that this is where the error has been made.