

*The Budget—Mrs. Casselman*

The people of Grenville-Dundas are representative of the best type of sane Canadian thinking based on social stability, and realize the interplay of cause and effect. We are indebted to Mr. McLaughlin, president of the Royal Bank of Canada, for recently reminding Canadians in clear and understandable language that the interest rate does not fluctuate by the winds of chance or by manipulation by goblins or fairies, but is the result of supply and demand. This was very obvious when the former government dipped into our money supply to an extent that is still being borne and will have to be borne for many years to come, and that contributed in no small measure to our present problems.

One does not have to be a particular student of economics to have observed with terror what happened in the past to the value of money in Germany and many other countries. We may not always find it to our advantage to live strictly within our income at any given moment, but let us recognize and not forget the effects of borrowing. Let us not become so accustomed to living on borrowed money that we become confused and blame other causes for the results it brings, or like spoiled children hope for a fairy godmother to make some wonderful arrangements that will change the hard realistic facts.

We are responsible for our own development, and if out of laziness and misunderstanding of the facts we allow others to take over more and more of it, we may expect that it will not be entirely to our benefit or our liking, and we will lose our identity as a nation. It is a hackneyed phrase but none the less true that he who pays the piper calls the tune. We show lack of faith in Canada if we express fear that Canada has not the strength to withdraw concessions to other countries when this is necessary for her own survival.

It is far from complimentary to our colleague in the western alliance, our friendly neighbour to the south, to suggest that she would have so little understanding of business that she would object to our concern for our own balance of foreign payments, our own future, a concern that she constantly has to deal with for her own economic health. Comments in large and respected United States newspapers show an understanding of our problems and an expectation that the time has come when Canada has to decrease her inducements to foreign investment. It was surely never intended that these inducements were irrevocable and should not be given critical appraisal, even when foreign capital owns about 70 per cent of our industries.

The financial critic of the official opposition, the hon. member for Kenora-Rainy River (Mr.

Benidickson), himself commended the Minister of Finance, as reported at page 1043 of *Hansard* of December 21, for proposals which will encourage further participation by Canadians in savings and investments in Canadian enterprise. I would hope that the government will give sympathetic consideration to further steps which will make investment by Canadians in Canadian stocks still more attractive. Deduction by Canadian corporations of their dividend payments from their taxable income—in other words removal of double taxation—is being widely discussed and recommended as one means, and it would seem to be a reasonable and flexible means.

There is one type of investment which interests me more than all others, however gold-plated they may be. Like all parents I should like to be able to provide a happy future for my children, but I see no sure way of doing this except through the highest possible development of their own individual potential so they may lead satisfying and productive lives. To do this I hope to instil in them the value of education, not in any one particular phase of education or education at any particular level, and not just schooling, but an acceptance of a continuance of the educational habit all their lives in the same manner that they accept habits of good health. I believe this is the greatest hope, not only for my children but for the whole world. Sympathy, respect for one another, understanding can only be increased by learning, and will be lost in ignorance.

We can learn from the communist countries, who do not waste time worrying about consumer goods or housing or clothing for so many millions of people, but reiterate over and over again how rich they are because of those millions of people. I submit, Mr. Speaker, that in this country we must educate and raise to the highest levels of productivity our small number of 18 million if we are to expect to compete in world affairs.

The assistance given to vocational and technical training by this government is an excellent step in the right direction, but I should like to see more concentrated thinking toward economy and better organization of our educational facilities. I hear much criticism from new Canadians about the fact that we do not sort out soon enough the ambitions and the talents of our young people. Consequently they become discouraged and frustrated. The second criticism is automatic, that we do not expect the high standards that could be achieved and that are demanded in other countries. I believe that encouragement of excellence, challenge