

When I first faced the House as Minister of Finance, I said that no economy is working as well as it should if there are men and women earnestly seeking work who cannot find it. The scene has improved but I am still not satisfied with the results. Now that our cost of living absorbs our attention, I say that I won't be satisfied if this country merely does better than our major competitors. I do not believe that is good enough. My goals are not relative but absolute ones: to moderate our rate of inflation, to relieve the pressure of prices on incomes, on savings and on the peace of mind of Canadians.

It can be done. It will take time to do. But it will happen—partly because international commodity prices will yield, partly because this government's policies will be proven right.

I am confident that most Canadians will accept what I have been saying tonight and will support the thrust and tone of this budget. The people of this country are gifted with good common sense and an open mind. If this House can bring itself to judge my budget with the same common sense and open mind, then I am sure that the measures I have proposed will commend themselves to enough members to ensure its passage.

**Hon. Marcel Lambert (Edmonton West):** Mr. Speaker, if that was to be the swan song of the Minister of Finance (Mr. Turner), it certainly was a long one. I think we must commend him for his physical endurance, and commiserate with the physical plight of the people who have had to listen to this rather long review.

● (2130)

The minister proposes to remove the sales tax on bicycles, but this budget demonstrates in him and his advisers the mentality of the bicycle age in dealing with modern day inflation. The minister and the government have finally come to admit that inflation is the number one problem facing this country. Last year, in February, the matter that the minister was after was unemployment. I casually looked over the motions that have been tabled by the opposition in all the budgets since 1968—the Secretary of State for External Affairs (Mr. Sharp) was then minister of finance—and they all warned of inflation.

The government, outside of that halting and bungling step taken by the Prime Minister (Mr. Trudeau) in 1969, did nothing to contend with inflation, and now the savings of Canadians are being eroded to the point that they must be bribed to buy Canada Savings Bonds which are supposed to be the yardstick and as good as cash. There is a cash bonus which, incidentally, when you read the fine print is a lot more complicated than the Minister of Finance indicated, that is, it is not available until maturity. Is it not a crying shame that what the public really buys must be subject to premiums during the currency of the bond and at the end, much in the way that we have seen financial institutions operate, the government is trying to bribe investors with a turkey—or a bicycle—for the opening of the new account? This is what the minister is trying to do in order to keep Canadians buying Canada Savings Bonds.

One question the minister did not answer tonight refers to whether the minister has reserved the right to close off

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the present series of Canada Savings Bonds. When will that happen? We know that this year an investment in Canada Savings Bonds, because of inflation and the government's lack of concern for inflation, has meant a loss to individuals. Smallholders, estates, educational funds and all who depend on Canada Savings Bonds will find that because of inflation their savings have been eroded. Is it not a reflection that the past week's Bank of Canada weekly report indicated that the average rate on government long-term obligations has gone up to 8.91 per cent, in effect 9 per cent? That is what this government must pay for its money, all because it has neglected inflation shamefully.

The budget that the Minister of Finance has presented tonight contains some cosmetic proposals that sound very nice and will appeal to people superficially. Some of them have some merit—I will concede this; I think there are some good measures in this budget. But basically the minister reminded me—I have said this before—of a man who is trying to save a patient from bleeding to death simply by putting on band-aids. The minister will run out of band-aids. He is putting on a plaster here and a plaster there without going to the root source of inflation in any way.

It was very instructive to learn that the minister has rejected the idea of a comprehensive incomes policy to turn the corner of the inflationary anticipation that exists in Canada. He is prepared to do nothing, and he has ridiculed the policies put forward by this party.

**An hon. Member:** What policies?

**Mr. Lambert (Edmonton West):** Yet last Friday, when I asked the Prime Minister what was the contingency plan to deal with inflation, he said: a wages and incomes policy. Yes, there it is, when everything comes down in ruins and everything is a shambles, when this administration fails to recognize the problem of inflation, it decides that we shall have a wages and incomes policy. At the moment we are getting selective price controls; we are getting palliatives. The Minister of Finance has frankly told the Canadian people, "I am hoping that we will be able to outrun inflation. We will give you fuel and we will try to help you outrun inflation." Well, they cannot do it. In effect, the attitude of the administration is that they hope inflation will go away somehow, somewhere; that there will be an event, that someone will discover some magical formula which will relieve them of the difficult decisions that must be made with regard to inflation.

This House has been in session for over an hour and a half, and I think hon. members want to study this budget. Incidentally, Mr. Speaker, there is one point that I would like to draw to the attention of the Minister of Finance on behalf of all members of the House. It came to my attention tonight that while members of the House were denied the contents of the budget, all that was required was for anyone to listen to radio or watch television at about 8.15 or 8.20 p.m. However, that would not have helped that brilliant member for Ottawa Centre (Mr. Poulin), because what I am saying is that a colleague of mine brought in the total of the minister's proposals by 8.20 tonight. They went out through the media—the total proposals that the minister made.