

*The Address—Mr. A. Hamilton*

While we disagree on the methods, there is surely no one who disagrees that the most important problem facing Canada and the world at this particular time is to bring about peace and to reduce spending on arms. When one looks at the spending on armaments compared with the spending on aid to underdeveloped countries, the contrast is appalling.

The Speech from the Throne also emphasized an increase in aid to underdeveloped countries. This is something Canadians have always supported for humanitarian reasons, and rightly so. However, it must be remembered that, as well as for humanitarian reasons, as underdeveloped countries start to improve their situation, become trading partners and become able to buy our goods, there are also clear economic advantages to Canada. The debt burden of some Third World countries presents great concern to the industrialized world. The question of direct investment in Third World countries has often been recommended as one way to assist. Of course, energy costs remain very high for some Third World countries which are more particularly vulnerable to past OPEC shocks. Also, some Third World countries where people have barely enough to eat are spending their meagre resources on armaments. The sooner we have sensible, well-negotiated, agreed upon plans for arms reduction, the sooner the whole world can move forward together toward a better future.

In Canada we have traditionally relied upon the private sector as the engine of growth. We continue to rely largely on the private sector to create jobs, but we have also expected that those who benefit from economic well-being in our country will be socially responsible and will be pleased to share some of the fruits of their success with those less fortunate so as to increase opportunities for all.

The Speech from the Throne maintained the Government's commitment to the social security network and to medicare because, while what everyone wants is a job and independence, there is no escaping the fact that people get old, frail and sick, and that in a civilized society there must be ways to protect such people.

In conclusion, the Speech from the Throne is not a dramatic document, but these are not times for drama. It is a logical, progressive and coherent statement of what needs to be done to maintain our traditional commitments, accepting the facts that we are coming out of a very harsh recession, that the mood is generally one of cautious optimism, and that there are measures which will enhance and push forward that trend which is also an international trend.

**The Acting Speaker (Mr. Blaker):** Questions, comments, answers? Debate.

● (1720)

**Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain):** Mr. Speaker, I have been around here for some time. This is the first time I have ever spoken in a speech from the Throne Speech debate, so it is my maiden speech. I want to make one or two comments about the debate thus far. After we heard the Speech from the Throne, we knew that an election was

being planned. On Leader's Day we had a good example of a contrast between Irish irony and Irish humour on the one hand and of the dialectics of Middle Age on the other. I would like to get down to some serious matters which the previous speaker mentioned and which should be emphasized.

At this moment in our history, the greatest single problem on an economic side that faces our country and every other country is the fact that we have an interest rate level that is destroying not only individuals, but small companies, big companies and countries. In this moment of financial crisis in the world, our Speech from the Throne should direct its attention to this major question. We begin to participate in a debate that is going on all over the world with only one exception that affects us, that is Canada.

When I read the speeches and articles and when I talk to people all over the world about what the problem is, it always comes back to the fact that there is no chance for a revival of the Third World countries, and certainly no chance for the revival of most of the western world countries, as long as we continue with this outworn nonsense that interest rates should be used to protect us against inflation. Interest is inflation. If the Minister of Energy, Mines and Resources (Mr. Chrétien) had read the speech that I delivered here two weeks ago today on mining tax changes, he would have read my statement that over most of its history, the biggest cost for the oil and gas industry has been interest. That is how the Big Seven, the big oil companies of the world, have controlled the oil and gas industry. Only they have enough reserves of earned income to pull through those periods.

The oil regulations that the Minister spoke about in effect turned our oil reserves over to outsiders. He honestly thought, on the advice of those who advised him, that he was pushing a pro-Canadian ownership policy. The only reason, and the only good thing about the PIPs Program is the fact that you pay people to explore to find no oil. If they ever find oil and gas, they are in trouble. That is the way it works. I am not going to waste my time on that argument at this moment.

I want to get back to the question of interest rates. There are several ways of handling this. I will just speak of one way to tackle the inflation that is still with us. The debate is going on that we should raise taxes and interest rates to stop inflation from coming again. This debate is going on at the high levels of government and the Department of Finance. We have a clash between the Minister and some of his top civil servants. The civil servants are divided on the issue. We know there are debates going on in the Department of Finance. Why not in this House? Why is this debate not mentioned in the Speech from the Throne?

Many remarks were made about policy, asking the Opposition to bring forward policies. My God, I have been in this House the last two years and I have seen policies put forward over and over again. I have seen cases where the government side listened. Go back to interest rates on farm production, farming, the export industry, research and all the rest of it and read the debates of two years ago. They are all there.