

The Budget—Mr. Latulippe

areas of the north to be opened up. We have seen what has been done in the Yukon territory and the Northwest Territories. We have seen that area being slowly opened up by the construction of highways. I hope the same thing will occur in northern Labrador. I hope the government will give every consideration to building the highway across Labrador to open up that great area, and to the highway up the northern peninsula from the national park which is presently under construction, as well as the road from Baie Verte to La Scie which will connect the communities in Green Bay. These are some of the problems I shall be bringing before the government during the coming months.

While there are problems, there is great potential, particularly in the Labrador area. I believe it has a great future; and having lived there for eight years and now having the honour to serve in the House, I am proud to be able to help build that future. I believe that the economic development of Labrador has great meaning, not only for that area of the province and the whole province but indeed for the whole of Canada. And when we are made aware of power shortages that exist on this continent, such as have been experienced recently, we realize how much emphasis we must give to the development of the power potential in that area.

• (1600)

Labrador needs a great deal of attention. To this end I believe it should have a member representing it in the House, a member wholly and solely for Labrador, as have the Northwest Territories and the Yukon. I give notice now that I shall be introducing a bill in the House which I hope will be debated and will receive a great deal of consideration, a bill which will ask the House to provide a member for Labrador in its own right so that its problems and its potential are put in their proper perspective.

We in Grand Falls-White Bay-Labrador want to make our own unique contribution to the Canadian mosaic. We must create the kind of province we want. But the kind of province we can have depends on the responsiveness of the government of Canada. I believe this budget is an indication that the government is listening and is prepared to respond.

[Translation]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am very pleased to have the opportunity of making some comments on the budget, a quite fascinating but extremely complicated subject.

I will say at the outset that this budget presumes upon the present to provide for future needs, that is the present is used to survive and the future to exist.

The fact that we have a minority government at the present time indirectly helps the Canadian people, but does not solve the basic problems. The piling up of deficits will be detrimental to Canadians later on. This is why I stated that the present is mortgaged on the future.

According to the Minister of Finance (Mr. Turner), the primary objective of the budget is to control unemployment, poverty and inflation by reducing taxes, increasing old age security pensions and writing off certain costs for the benefit of some industries.

[Mr. Rompkey.]

In 1967, 1968, 1969 and 1970, the Liberal government was saying and doing quite the contrary. At that time, the government said that to fight inflation, it was necessary to impose credit restrictions and tax increases, and at the same time it eliminated public works in the name of inflation.

And today, the budget introduced by the same government but by a different Minister of Finance advocates the contrary. We are wondering whether this is logical. Before we were told that it was necessary to balance the budget to solve the problem. Now a deficit of the order of \$2 billion is acceptable and we are told that this is the only means to restore balance to our economy and to fight inflation.

We realize that to balance the government budget, the taxpayers' budget should be unbalanced and that for balancing again the taxpayers' budget, the government's budget should be unbalanced. In this manner, the economic unbalance grows worse, the cost of living goes on increasing, the dollar value keeps decreasing and inflation causes more and more damages.

Let me tell you that from now on, present and future can no longer be administered as the past. The past gave us deficit budgets and tax increases; in some budgets, it has been proposed to lower taxes and to increase the money supply in return for larger deficits.

No golden mean has been found; we cannot achieve a truly balanced economy. We can give no equilibrium to our economy. Nothing must be changed. I must say at once that there is no need to change our present economic structure. However, to rectify the system, we should modify the sharing of national production, taking into account the consumers' expenses and the capitalists' reserves.

We produce in abundance, we accumulate surpluses, but we do not have the mechanisms necessary to allow the consumers to get their fair share of the production.

In 1944, national product was worth \$12 billion; in 1973, it has reached \$114 billion, which represents an increase of \$102 billion. Although 9 to 10 per cent of the labour force is not working, production could easily reach \$125 billion. In spite of this gigantic production, we have yet to find the means to meet the needs of the people.

In fact, we can say that the economy is not balanced at all, that neither the government nor the opposition has a concrete solution to offer that we might truly live in a country where the economy is balanced to satisfy the citizens.

• (1610)

Mr. Speaker, members of the House voted themselves a salary increase pegged to the rise in the cost of living and old age pensions have also been hiked but not quite enough to match the cost of living. On the other hand, family allowances have remained the same since 1944, that is \$6 and \$8, whereas the gross national product has gone up by \$102 billion since 1944. This proves the illogical thinking of the government in refusing to boost family allowances as well. Families are where the need is most urgent and they are the largest consumers. This is where the purchasing power should be.