

*The Budget—Mr. Regier*

system of economic anarchy which parades under the false front of free enterprise.

This advice that the minister gave to Canadians to work hard and practice self-discipline is not going to be taken very kindly by the half million Canadians who would be very happy indeed if there were employment available and they were able to work hard. They are going to consider this as a bit of ill timed advice. The minister blames Europe for his great error last year when he predicted a 6 per cent increase in gross national production. It is amazing, Mr. Speaker, but every time there is something haywire in the minister's calculations or in his estimates he always manages to find somebody else to blame. I can recall a number of occasions when he put the blame for what was happening on the United States. Now he has turned to Europe, which is supposed to be responsible; or perhaps it is the governor of the Bank of Canada, who is now pictured as such a vicious ogre, a man who has plotted and schemed against the intentions of this government.

I do not think he can get off the hook as easily as that, by blaming the United States or Europe or the governor of the Bank of Canada. We cannot forget that the minister is the owner, on behalf of the people of Canada, of the Bank of Canada. The Canadian people are not going to take kindly to the government blaming one of the employees of the bank, even though he may be the governor, for the lack of action on the part of the government, even though this attempt is hidden under the smokescreen of a charge that the governor participated in increasing his retirement allowance.

On January 16 last our group moved an amendment to the baby budget. We made a number of recommendations in our amendment, but there were three specific recommendations having to do with monetary policy. I should like to put them on the record. Recommendation No. 1 was to lower interest rates; No. 2 was an expansion of the money supply commensurate with a full employment program; No. 3, assistance to export and domestic industries by taking those steps necessary to reduce the premium on the Canadian dollar.

At that time, and on other occasions, the minister heaped a lot of ridicule on our proposals in the field of monetary policy. He made many speeches both inside and outside of the house in which he told the Canadian people it was impossible to implement those recommendations. Now, at long last and rather belatedly, the minister has officially endorsed each of those three proposals. I should like to commend him for that. I only hope his endorsement of these proposals will

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result in very early action, because the nation needs the action that is contemplated in these particular proposals. At the end of my remarks today our group hope to offer additional proposals that we feel should be implemented. I hope this time the minister will not be as long in adopting the new proposals that we are going to make in our amendment.

I listened for some time to the usual complaints of the Liberal party. I regard their attitude as most irresponsible. We are here to attack, that is true, but we are here also to offer useful counterproposals to those of the government. I find very little in the whole of the Liberal complaint about the budget that could be classified as useful counterproposals. Even their amendment seems, in effect, only to call upon the government to resign in order, I assume, to make way for the resumption of the Liberal party in office. The Canadian people are not going to forget so easily the many long years of mismanagement by the Liberal party which led us into the economic mess in which we have been ever since. I believe that the utter failure of both the Liberal and Conservative parties to come forward with concrete measures designed to enhance economic activity in Canada indicates the bankruptcy of their basic political philosophy.

The minister predicted a deficit, on operations I take it, of some \$650 million. If this were a deficit that was designed to do something to move the rate of economic activity to a higher level; if the deficit were designed to attain national objectives, we would heartily endorse the deficit. We have never been opposed to deficits that are deliberately planned to accomplish certain economic aims. However, this deficit with which we are now faced is only the result of poor housekeeping. It is a deficit on the normal operating account of the government.

I believe it is a horrible indictment of the ability of the government to adequately manage national affairs. If the government were to ask for a deficit designed to rid the country of unemployment, to give all people a minimum basic standard of living worthy of our nation's resources, then I would say that the people of Canada would heartily endorse the deficit. But the people of Canada are going to take a very dim view of a government that admits its inability to handle financial affairs.

This is a passive deficit, and I see no indication in the budget of the expansion that we had been led to believe would be forthcoming, especially in the light of the attack on the governor of the Bank of Canada. It is our contention that our economy is not going to improve all by itself; that