

cally across the last four years that the government has to concede to give either a major incentive to all potential home builders or tell the people squarely that, as Canadians, they do not have the right to own their own homes.

Then, of course, there was the announcement that the sale of Government of Canada annuities will be discontinued. The position the government has taken is that it will remove itself from that burden also by shifting the responsibility to the private sector. That act in itself may not be wrong in principle. But certainly one needs to ask what was the stimulus that caused the government to get out of the annuities business? Clearly members of the government have recognized that inflation and high interest rates in recent years placed the government in a disadvantageous and embarrassing position. The fact that the government has decided to get out is a clear signal that it sees no escape from the present problems of high inflation. It simply is not in keeping with the character of the Liberal government to give up one of its bureaucratic agencies except in the face of fear. Now that the Liberal government has wrestled inflation to the sky, it is time to get out of the Government of Canada annuities and transfer that burden to a more efficient sector.

Finally, Mr. Speaker, a content analysis of the budget speech can only lead one to conclude that the minister did, in fact, have his own instincts quashed by cabinet. Throughout his presentation on the evening of June 23 he continually built a strong case for the use of controls to bring about a sense of balance to our economy. The following series of quotations from the budget speech all indicate the minister, in fact, wished that he would have had the strength to have persuaded cabinet to have adopted some form of mandatory controls. He claimed, as reported on page 7022 of *Hansard*:

We need strong employment growth to get unemployment down... The key to this is a better performance on costs and prices.

Later on he stated the following:

Wholesale prices are already moving up more rapidly again. The fact is that we have been building serious cost increases into our economy which threaten to erode the competitive position of our industries both at home and abroad.

Then at another point he went on to proclaim that:

The preponderance of evidence, however, is that wages and salaries, whether fringe benefits are included or not, are rising much more rapidly in Canada than in the United States.

A few moments later he stated:

What is surprising and disturbing is the size of recent increases in Canadian wages and salaries and their continuing acceleration in a period of slow growth and high unemployment.

As further evidence of the fact that the minister would have wished to have employed some form of stronger action, he went on to say:

A number of recent wage and salary demands appear to bear little relationship to economic reality.

He continued to build his case for strong controls when he stated:

A continuous depreciation of the Canadian dollar over any length of time is no substitute for bringing the spiral of our costs and prices under control.

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And finally he concluded:

Unless we as a nation are able to conduct our affairs in a way that will maintain confidence at home and abroad in the soundness of our economy, we risk paying a heavy penalty in terms of lower capital investment, lower output, lower employment and lower real income.

All those statements by the Minister of Finance are serious charges against our society. Throughout all of those quotations the minister has accurately indicated some of the very devastating repercussions that could happen to Canada if we did not reverse some of the present anomalies. Certainly the minister cannot build such a strong argument for the need to get our economy back into line, and then simply dismiss it by saying that the public is not willing to accept controls at this time. I challenge—did he ask for public consensus when he imposed the ten cents excise tax? Surely the minister could not have bowed out on such a weak excuse especially when he stated, as recorded at page 7024 of *Hansard*: "Consensus on a set of voluntary guidelines has not been reached". How can the minister reconcile the conflict in respect of this statement:

... we did not reject controls in principle... Indeed, in one respect, they would have had advantage over a voluntary consensus.

Despite that recognition, he had previously stated:

... inflation ultimately inflicts grievous damage to the fabric of society. It lowers the living standards of those on fixed incomes, including pensioners. It leaves people without reliable, understandable guideposts by which to arrange their economic affairs. It injects grave uncertainty into the decisions on family budgets, housing, savings and provisions for old age. It provokes deep frustration, social tension and mistrust of private and public institutions.

If anything is clear, Mr. Speaker, it is the fact that the Minister of Finance built the case to introduce controls. It is only because he was unable to persuade his cabinet colleagues of the urgency of Canada's present crisis that he sloughed off all the arguments in favour of restoration of a stable economy with the simple words, "The Canadian public would not accept these measures at this time." Certainly this minister never checked with the Canadian public before he imposed a ten cents per gallon excise tax. Should he have done so, it is almost certain that there would have been no consensus in favour of such a move. As reported at page 7025 of *Hansard* the minister stated:

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I come now to specific measures. None is more important than the control of public expenditure.

Then he went on to talk about a \$1 billion cut in federal spending, only to concede that this year it will cost the Canadian people considerably more to operate and to maintain the federal government. Surely it is pronouncements such as these that bring about the great distrust in the Canadian society, making the average citizen wonder what it is all about.

If there is one thing that is clear in listening to the June 23 budget it is that the statement of what is wrong with the country does in fact bear some resemblance to reality. It is just as clear that all of the solutions offered in no way enhance the Canadian lifestyle, do nothing to decrease inflation, and do nothing at all to assist people on fixed income, the senior citizens and the indigent. Those are the people who suffer most as a result of the ever spiralling