

*The Budget—Mr. A. Lambert*

man who is idle will sooner or later get into mischief. This is human. All the same, I should like to emphasize the good points of this budget, because it has its good points. It would be unusual if it were all bad. For example, pension plans have been improved. I think this is a beneficial measure which will benefit a number of people who have the means to invest in a pension plan. But obviously, for the great number of unemployed, it will not change much.

There is another point on which I agree, the changes proposed to the incorporated family farms which will allow farmers to enjoy a tax provision which did not apply to them before. Those are excellent measures.

As for the provisions related to industrial development, to energy and railways, they are necessary and will certainly benefit some people, but I am very skeptical as to their ability to deal with unemployment in the near future. What I find amazing with this government is their capacity to bring forward all kinds of minor measures which are good in themselves, along with their incapacity to bring forward any major responsible measures designed to deal with our most serious problems at present: unemployment and inflation. Of course when your hands are tied behind your back by financiers, as I said today to the Minister of Finance, it is difficult to get the job done. That is where the real problem is, in my view.

● (1522)

When it comes to social measures, the government has come up with challenging suggestions. I must say at the outset, as I pointed out a moment ago, that the tax free transfer of family farms has been extended to farms registered as corporations. We have been demanding this for a long time. The government has finally understood the validity of our case. I am sure this measure will encourage young people to go into farming.

We must encourage young people if we want them to maintain their interest in agriculture and save this basic industry that Canada needs. I am seriously concerned, Mr. Speaker, about the declining number of young people who should be interested in farming and in the agricultural industry. Of course, if all our policies result in a massive transfer of our youth from rural to urban areas, it is obvious that time will come when we will find ourselves in a very unfavourable situation in comparison with a number of countries. If we have to import too many food products to satisfy our needs, we will of course become dependent on others. The situation would then be much worse than it is today. On the other hand, I think this policy should help, at least I hope so, in limiting the rural exodus and should be an incentive for our young farmers to keep them interested in this vital activity, farming and farm production in Canada.

I would like to point out in passing—I did so briefly yesterday—that the Minister of Agriculture (Mr. Whelan) has finally told farmers as well as industrial and fluid milk producers what the dairy policy of the government is going to be

[Mr. Lambert (Bellechasse).]

for the next few months. I was pleasantly surprised to see there were some aspects which I have been advocating all along and which are finally being implemented in our policy; the period change, the new dairy policy schedule. I received the official release only this morning, I had the opportunity to review it thoroughly and today I made a point of mailing many copies to producers who have been asking me questions on this matter for a long time. I think it is my duty to help inform people of legislation which might be beneficial to them. And it is also my duty to make suggestions to the government. I would like to take advantage of the budget debate to make one, I would like the government to study seriously the possibility of providing in its policy, in its financial policy, a rebate on some farm products or on some Canadian dairy products with a view to promoting the consumption of these products in the country and second, increasing the purchasing power of consumers and needy families. Mr. Speaker, this is nothing new. Through its legislation, through the propositions made to the provinces to pay compensation as an incentive for reducing or even abolishing retail sale taxes, the government is already doing that.

It would be much easier for the government to proceed directly under the federal jurisdiction; the same purpose would be achieved with less confrontation. In fact, Mr. Speaker, this discount will increase the consumer's purchasing power, but he is the one who decides on what goods he wants a discount, because, after all, the consumer is always right and he is the one who chooses the products he wants to buy.

We established that policy, as I already stated in this House, a few years ago, under a minority government that had the good idea to comply with the requests of the people, and it was of particular benefit to the families. During several months, more than \$181 million were distributed without any confrontation, but today with the federal approach of urging the provinces to cut their sales tax, we saw what happened in the last 24 hours. The Quebec government has decided to apply that cut in the weakest sectors. In other words, when I buy \$1 item in Quebec, I must now pay \$1.08, and under the policy announced in the budget, the consumer will pay only \$1. Then, this is a discount on the retail price but it has been transferred from the federal to the provincial jurisdiction, and this is the cause of the present confrontation. It worries me so much that I warned today that we should proceed carefully and sensibly, if we want to avoid constitutional crisis.

Now, I do not think that this government will solve the problem through the proposed measures. The federal government will compensate a part of this cut with a \$11.5 billion deficit, which means that future generations will have to pay for our present spending because this budget increases our deficit, our national debt, by \$11.5 billion. Sooner or later, we shall have to find a means of repaying that debt. This is what I call a debt system. If that system is good, it will give good results, as a good tree bears good fruits and a bad tree bad