

Economic Conditions

policy? The young man to whom I refer left a home he could afford with the income he had, to move to very small quarters which he has to put up with until sanity returns to government and the economists on the Liberal side of this House begin to return to reason. May God be merciful to those who took economic lessons from the hon. member for Ottawa Centre, because they have been misled.

● (0020)

An hon. Member: They all failed; so did he.

Mr. McCain: He went on to speak about how good housing is. I submit to you that the hon. member for Nepean-Carleton (Mr. Baker) gave him the proper advice, that he had better talk to them over the telephone.

This evening I spoke to a young man who is building a second home because he had to move. He liked his first one so well that the one he is building today is identical in plan, design, and fixtures to the one he built 15 years ago. May I say to the hon. member for Ottawa Centre that the first two of eight progress payments made to his contractor for the second identical home after 15 years exceeded by \$2,500 the total cost of the first home 15 years ago? Can we stand that kind of inflation? The hon. member for Ottawa Centre had better put his figures together and see how much this young man has to make to survive the change in the cost of his home. I repeat, two progress payments exceeded by \$2,500 the cost of an identical home 15 years ago. Is that good government and good economics?

An hon. Member: He is sick.

Mr. McCain: There is a thing called loyalty which a member of any party in our system should have, but blind and stupid loyalty is inexcusable.

Some hon. Members: Hear, hear!

Mr. McCain: Mr. Speaker, we are in an inflationary structure and there is an element of doubt as to whether or not that is good for any society. But we are in a different kind of inflationary structure than the one to which history has been accustomed, because automobile lots are overloaded, in the housing market there is demand and no buyers because people cannot afford houses, there are plenty of clothes on the store racks and plenty of the things that ordinary individuals want. You can just go down and pick it up, the supply is there. That is not the cause of inflation. We are treating a new situation in inflation with the old methods. It is rather like giving a dose of castor oil to a cholera victim, and it is having the same effect. In the long run, the victim will subside and die. We cannot go on this way.

If we are to suggest to the people of Canada that this is an international situation, then will the Minister of Finance (Mr. MacEachen) explain to this House and to Canada why he has not tried to convene an international finance ministers' meeting, and why he has not tried to get the world to take a look at what is happening to see if an international agreement of some

sort cannot be worked out whereby the rising interest rates—the old castor oil treatment for the cholera patient—cannot be changed to some other policy because this one is not working and we are heading for a catastrophe? We are choking production by our tax policy, we are choking our purchasing power by our income tax policy, and the conflict of the two does not associate itself with progress.

Some hon. Members: Oh, oh!

Mr. McCain: I hear a little chirping over there from the far left, and I suppose we could call it the extreme left. I was rather amazed tonight to find that they do not know which way they are going because one day they are clamouring in the House for socialization of everything but tonight they are speaking on behalf of private business. They have to make up their mind which way they want to go. They are confused, and they are confusing Canadians.

Mr. Speaker, I am concerned for my country. I was concerned when I listened tonight to the Minister of Finance in whose constituency—I am not quite sure of the geography—or perhaps in the constituency next to his, an oil refinery has closed and where employment has gone down because our relations with our trading partners are not such that the product could be exported at a profit, even if it were imported and exported. I am concerned that such a Minister of Finance should come from such a constituency in Atlantic Canada.

I was concerned also when I listened to the Minister of Energy, Mines and Resources (Mr. Lalonde) who supports measures which curtail development, because I live in that part of Canada which is near the Minister of Finance and near that part of Quebec from which the Minister of Energy, Mines and Resources comes which depends upon socially irresponsible government sources of oil from across the ocean, from a region which is in political chaos. Both those men, one living in a region desperate for energy, the other living nearby and related to people east of Montreal who are in the same crisis, stand here and put forward tax policies and energy policies which deter development, exploration and delivery, and which postpone self-sufficiency in Canada.

I can understand why Ontarians do not worry and why Montrealers do not worry, but those who live east of Montreal have a double concern for the behaviour of both the Minister of Finance and the Minister of Energy, Mines and Resources. It is catastrophic that they should ignore the realities of Canada. We find ourselves in a situation in which personalities, petulance, prejudice and anger have clouded what should be rational, comprehensive, and conciliatory negotiation. It is not a case of confronting the west because they are not operating to suit these petulant people, these impatient people, the government. It is a matter of serving all of Canada, all people and all workers from coast to coast. Temper tantrums, petulance and prejudice dominate these negotiations. Reality has been lost from sight in their conduct.

Mr. Speaker, I should like to read a few comments which appeared in the press today, because I think they are rather