

The Budget—Mr. Fraser

Ontario and Quebec would disregard people to the point where simple matters of financing such an urgent construction would be delayed.

I understand this would impose an additional burden on this government but in face of such a danger it is important that we continue to show that we are a responsible government and we accept such challenges because the safety of those using that bridge is at stake.

In concluding, Mr. Speaker, I want to state again my support for this budget as well as my entire confidence in the Minister of Finance.

[*English*]

Mr. John A. Fraser (Vancouver South): Mr. Speaker, I should like to begin my contribution to this debate on the budget by assuring the hon. member for Glengarry-Prescott-Russell (Mr. Ethier), who just spoke, that not only do members on this side of the House support some of his suggestions with regard to parks, but I can tell him, with the utmost solemnity, that we remember every word of his maiden speech.

● (1500)

It is probably of some comfort to the hon. member to know that despite all the months that have passed since he made his maiden speech, it is still being discussed on this side of the House, and that is no doubt why there is such a tremendous crowd here this afternoon which assembled when the rumour buzzed around the building that the hon. member for Glengarry-Prescott-Russell was indeed going to rise and take part in this debate. I want to say with the utmost sincerity that we welcomed his contribution which will be remembered just as his maiden speech was remembered.

I want to say, on behalf of myself and some of my colleagues from the province of Ontario, that out of courtesy we would like to extend some of the remarks the hon. member made this afternoon to the premier of his province as well as to the leader of the opposition in the province of Ontario. He may have some difficulty in giving any comfort to the leader of the opposition in the Ontario legislature with respect to the 10 cents a gallon price increase.

So far the debate has been interesting because there have been some criticisms of the budget—and I will be making some criticism of the budget also—even from members of the government who wished that some of the measures could have been extended further. There have also been some government members who defended the budget and attempted to explain the grave difficulties which the Minister of Finance (Mr. Turner) faced in trying to determine what sort of budget should be brought down to meet the exigencies of the present situation. But I think it is fair to say—and I do this with the utmost seriousness—that this budget has been just as difficult to draft as have previous budgets for a number of years.

I think it is fair for us all to ask ourselves why budget after budget which has been presented in the House has called upon the finest rhetoric the government can muster to defend it, and has brought down the vituperation of the opposition, the press, and the knowledgeable people in the world of economics, business, industry and labour. I sug-

[Mr. Ethier.]

gest that the reason it has been so difficult to bring down budgets which would satisfy the Canadian people is that for a number of years we have not been facing realities. I say this not in a pejorative sense and in as non-partisan a way as I can.

The fact remains that year after year this country, along with other countries in the industrial world, has been determined to live beyond its means, hoping that some day somehow the productivity of tomorrow will make up for the excesses of today and yesterday. When we as parliamentarians consider this difficulty, let us forget partisanship and let us ask ourselves collectively in this difficulty what it is about our society or the leadership in that society—and there is leadership from both sides of the House—and what is the difficulty that is causing us to bring down budgets year after year to which the traditional response is that they are inadequate, that they do not show thrust or direction.

When a budget shows restraint it is usually too much restraint, and the accusation is that it is cruel and vicious. When a budget tries to meet other problems, the criticism that greets it is that it is too sloppy, too soft, not tight enough. This dilemma has been facing not just the Liberal government, which happens to be unfortunate enough to have to come up with an excuse each time a budget is brought down, but the whole country.

Some hon. Members: Hear, hear!

Mr. Fraser: It is facing the whole country because not just governments, not just parties, not just politicians, but the whole collective Canadian society has been unrealistic as to what we can expect.

Some hon. Members: Hear, hear!

Mrs. Holt: Right on.

Mr. Fraser: But, for instance, you cannot continue to inflate the money supply beyond productivity without inducing domestically excessive inflation. This is not the time to go into a long statistical account to illustrate what we all know, namely, that over the last decade we have pushed the money supply beyond productivity. It is true that some of our inflation has come to us from other countries, but if you would take a look at the way most of the industrial countries have behaved in the last decade you would see they have done the same thing as we have. So, collectively we have been inflating our currency beyond productivity.

I am sure that with the hon. members here this afternoon it is not necessary—but perhaps it is proper at least to observe so that somebody has some confidence that we are thinking about these things—to say that one cannot continually cheapen the currency and expect to lick inflation. The excuse is that in the short term it has been necessary to meet immediate and sometimes crucial situations, and I think any intelligent person recognizes that. But surely it is time that all hon. members came to realize that sooner or later we will have to have a budget that starts to set a direction for the coming years.

I have heard the argument that there is no marketplace any more, and I have heard the great economist, Galbraith, put it forward. I have also heard him lose this proposition