

ment is the number one problem, not inflation. We can cope with inflation. There is no answer for unemployment. When people are out of work, they are out of work. The only question is: is the degree of stimulation adequate? We do not think it is. The calculations of the Economic Council of Canada indicate that we need a growth rate somewhat in excess of 9 per cent or 10 per cent. The figure of 9 per cent has been used as the projected growth rate for next year, but the government fails to tell us that they are also anticipating a price increase of around $4\frac{1}{2}$ per cent which brings our growth rate down to about 5 per cent, which is little more than keeping us where we are now. Our labour force increases at the fastest rate in the whole world, so a growth rate of 5 per cent really means we are standing still. Therefore, the stimulation is not adequate.

The second problem, as we see it, is that the government is still hung up on this matter of business confidence. One wonders how long it will take them to learn. I have not been here that long but as long as I have been here I have heard one minister of finance after another use the same phrase. Whether the problem was inflation, whether it was unemployment, whether we were talking about old age pensions or about a guaranteed annual income, there was one phrase that kept cropping up, and that was business confidence. There is some kind of mystery called "business confidence". It is like the ancient gods having to be placated lest they destroy this nation. When we had inflation and the government brought in restrictive measures on the ordinary people, the former minister of finance, the hon. member for Eglinton (Mr. Sharp) said at the time that it was necessary to restore business confidence, to placate the gods. Now that we have high unemployment and we are talking about stimulating the economy, the government brings in measures, most of which are designed as tax relief for business, thus refusing to make business pay its fair share of the taxes.

Why is this being done? It is because we have to restore business profits. If you give money to people to spend, the government believes there will not be any business confidence. All the articles I have read—and I have tried to be as unbiased as it is possible for a politician to be—take issue with this whole matter of business confidence. The argument is that the businessman invests because you give him benefits, you give him goodies. If you do not bribe him and give him goodies, he will not invest. On that basis, a country such as India should offer him all kinds of goodies, then we would see whether all businessmen would flock to India. They will not do so for a good reason, namely, that there is no purchasing power in India. The businessman will invest where he thinks there are buyers and customers, and no inducements in the world would get him to invest if he did not see customers for his products. Therefore, the key to investment opportunity, the answer to getting a country going—and I am not the only one who says this—is to stimulate the consumer purchasing power, to get money to those people who are in a position to buy.

In an immature and primitive economy, saving is everything, so perhaps in the name of saving you can do

The Budget—Mr. Saltsman

terrible things, such as depriving people of equity, because you have to build up a pool of capital. But that is not true in Canada. There is more money in the banks here than we have ever had. Our level of savings is the highest in the world. Our problem is not a shortage of capital, our problem is not one of having to stimulate the business community or bowing to the god of business confidence. Our problem is to get the people back to work by giving money to people who buy goods and services, thus employing those who are now unemployed.

This is an argument that I was very pleased to see taken up by the hon. member for Duvernay (Mr. Kierans). I hope that he will come back to this House and say some of the things he has been saying outside the House. He is a man of great courage. He is not a socialist by any stretch of the imagination. He is a Liberal in the true sense. But he is an intelligent man—that is the difference—and he is an honest man. You can see now why he had to walk out of the government. He saw the concept of equity being rejected. He could see the handwriting on the wall. When the Prime Minister (Mr. Trudeau) was questioned about the resignation from cabinet of the hon. member for Duvernay, he said that he should have stayed because perhaps he could have had some influence on the government. What hope is there of anyone having any influence on that government, except the bagman of their own party? He is the one who has the influence on that side, and the bagman has decided that we have to restore business confidence; we have to give business back all their traditional goodies; we have to make the world safe for the tax dodgers; we have to make this country safe for the people who are getting special benefits, and we have to reassure this minority their privileges will remain intact. After all, we must bow down to business confidence.

So, the record of failure, whether it was that of the hon. member for Eglinton or that of the present Minister of Finance (Mr. Benson), is now being continued. But perhaps putting forward technical arguments at this time is a little beside the point, because I think that this budget will have the wrong effect. Perhaps what we have to examine is the politics of the situation because in some ways this has been the most political of all political budgets. I will not say that politics has no place in the House of Commons because that is what it is all about. I am just saying that the government has carried politics beyond the point of its quaint decency. They have been sitting there like cats that have swallowed canaries. They are puffed up, they are so pleased with themselves. They think they have pulled a coup and undercut the opposition who will have not a thing to say. They have razzle-dazzled us; they have given something to the old age pensioners and increased income tax exemptions. They think we will have nothing bad to say about this budget.

Mr. Mahoney: If you have run out of material, move your amendment now.

Mr. Saltsman: I hope the hon. member will not be offended, but in the light of the record of that government any suggestion coming from that side should be taken with a grain of salt, as experience would indicate.