

tain dividends. There are some reservations to make in this connection. We must—and in this I concur with the hon. Minister of National Revenue (Mr. Gray)—guard ourselves against the possibility of greater inflation.

In any case, in view of the financial position of the municipalities and provinces, I am wondering how we can extricate ourselves if the federal government does not make enough efforts to grant certain supplementary credits in order to allow provinces and municipalities to honour commitments which are imminent and necessary.

Of course municipalities are always interested in urgent projects. Is it financially possible for those municipalities and those provinces to keep on providing their own administration at the rate which we have known the last ten years? I think not.

It is obvious that the issue of supplementary credits is necessary. How could those municipalities and those provinces continue to get into debt at an interest rate as high as that prevailing today. I wonder whether the government should not consider issuing supplementary credits, but at a reasonable minimum rate which would allow those municipalities to go on with projects for which there is an overwhelming need.

Otherwise, I wonder how these municipalities or provinces will be able to keep growing and thus to set up the public services and utilities necessary to attract industry.

Obviously, the government has not considered the possibility of extending new credits at reasonable interest rates. All too often, the government has issued new lines of credit with interest rates so high that local governments are put in an awkward position. I urge the government to consider this possibility.

We in the opposition can easily criticize. I would not want to limit myself to criticizing the government, to saying that it has not done anything: it would not be honest. Today, one must ask whether the government has done enough, whether it can do better and whether those who criticize it could do better.

That is the role of the opposition. Starting from that consideration, and being conscious of my role in this House, I should not want to limit myself to criticizing the government; I urge it to consider the possibility of creating additional credit, at reasonable rates; by that, I do not mean that it should blindly endorse the monetary policy of the social credit party, because I have serious reservations about it.

I make as many reservations about the efforts of the government during the past three years. As a result of those considerations, I wonder if I am not entitled—and I should at least be—to ask the government to examine the possibility of granting supplementary funds for carrying out certain projects which are obviously essential in the public utility field.

I do not ask that funds be granted to individuals at high interest rates, but I think that it is extremely important to provide more money to municipalities and prov-

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inces for public utilities and large scale projects, taking into account their direct relation with the public sector.

• (8:50 p.m.)

We have asked the government many times to arrange easy credit for housing, an important sector which represents, I believe, from 30 to 33 per cent of the labour force in Canada. The government made some effort, I must admit, to grant credits with regard to housing.

Labourers, people of the middle class, should be allowed to become home owners, taking into account the interest rates, taxes on materials and property taxes.

We have asked many times for the repeal of the tax on building materials, which would be an interesting move for those who want to become owners.

I know that the government should normally study this. Unions interested in construction have made requests which are rather hard to accept.

With respect to construction, the government should call together all the representatives in this field and enter into arrangements with them at both the government and the union levels. The government must have at its disposal substantially large credits for construction, in Canada, because of the heavy demand. Union representatives must also accept some measure of compromise. It is up to the government to prove that it is willing to promote construction and it is up to the unions to prove that they are willing to compromise, because of the capital which the government would be ready to invest.

It could be that an agreement could be reached between the unions, all those involved in construction, and the government as regards salary and price stability. The government should abolish the tax on building materials and make funds available at acceptable interest rates. It did not see fit to do so, and I sincerely believe that the government would serve the best interests of the Canadian people if it did. I would recommend to all those interested in the construction sector to compromise for 3 or 5 years, if we are to have long-term building. The government should take this suggestion into consideration.

I would like to mention that we have to define the policy which the government should normally adopt. This afternoon, the policy to help students find summer employment was introduced. This announcement made us realize that only part of the students will be getting a job this summer at a cost of approximately \$50 million. This represents only 50 per cent of the students who will be on holidays this summer.

During the last Liberal convention held in Quebec City, the young, aware of their needs, voted in favour of a resolution asking for the establishment of a civil service. I had thought of a disciplinary civil service. Perhaps it was too severe. This civil service was referred to as a service that could provide work for students. This resolution which was passed is an excellent one, I am not against saying it, but I thought a few months ago—and I said so in this House—that the establishment of a policy