

The Budget—Mr. Burton

wish to draw his words to the attention of hon. members. This is from a speech made by the Prime Minister in Quebec to the Co-operative Fédérée du Quebec on February 2. This is what the Prime Minister said about agriculture:

Agriculture will not be able to meet the challenge of the future if it does not become economically independent.

Like any other industrial sector, it has to operate and will have to operate without subsidies, without outside aid, as a mature organism that has developed its full potential.

It is becoming less and less acceptable that consumers bear the cost of farmers' deficiencies.

The Prime Minister blamed the whole situation on the farmers. What did the Minister of Finance have to say about manufacturing industries? He said that manufacturing industries had to be helped because they were exposed and vulnerable to the challenge of change and international competition. I suggest that this is an incompatible stance when one compares what the government is doing for manufacturing with what it is doing for agriculture and rural Canada. I challenge the government to make a firm commitment that it will play a dynamic role, together with the provinces and communities throughout Canada, in rebuilding rural Canada.

Another reason for my concern about agriculture and rural Canada is the possible consequences arising from the budget. I wish to quote as follows from an article in the May 16 issue of the *Globe and Mail* entitled "Budget has important implications":

F. H. Hatt, president of E. M. Saunders Ltd. of Toronto, takes the view that the reduced corporate taxes for manufacturers will take the pressure off the Canadian authorities to keep the exchange rate down. Since manufacturers and processors are the groups that have been hit hardest by the dollar appreciation in the past two years, the tax cut will offset hardship in this area—and may well provide a margin for some further appreciation of the currency.

A rise in the Canadian dollar to, say, \$1.03 in U.S. funds would satisfy Washington as to the appropriate level for the Canadian dollar—

This, again, will hit the export sector of agriculture. It will make it even more difficult for it to survive. However, there is no hint of any help or compensation for the export sector in dealing with the problem it will have to face. Farmers have no protection; they are left out in the cold, with no help from the Minister of Finance.

I suggest that the minister should take careful note of some of these things, with particular reference to a matter that has been referred to from time to time in this House. That is the question of western alienation. There is no question but that our nation is facing serious strains at the present time. There are difficulties in relationships with the province of Quebec from whatever point of view one approaches the matter. However, it must be kept in mind that we have problems in western Canada. This point was dealt with very effectively by the hon. member for Selkirk (Mr. Rowland) when he spoke in this House on February 22. He said:

I consider the phenomenon of western alienation to be of sufficient magnitude to have the potential of profoundly affecting the course of this nation—

He went on to define western alienation in this way:

—the sense of frustration and anger at what is perceived to be lack
[Mr. Burton.]

of concern and understanding for the west and its problems by central Canada.

He commented, further:

—westerners are still in the process of adapting themselves to the changes inherent in industrialization and are still seeking to define the new relationship with the rest of the country that these changes necessitate.

• (2110)

Later he said:

It is this lack of political clout in Ottawa and a total lack of understanding or even of attention on the part of the federal government which has led to present western alienation.

I suggest that if the Minister of Finance does not show any more concern for the west in the future than he did in his budget address, we are in for serious problems in the future.

Mr. Erik Nielsen (Yukon): Mr. Speaker, as I sat here listening to the Minister of Agriculture (Mr. Olson) I could hardly believe my ears. According to him, everything is rosy with the western farmer and nothing could be better. Yet as I travelled in the west, as I am sure members opposite have done, and listened to the western farmer I came to the conclusion that there was a huge groundswell of discontent in respect of the policies of this government. If everything is so rosy, why is there this tremendous discontent, particularly among western farmers? If everything is so rosy, we can assume that nothing more can be accomplished by the government, particularly the Minister of Agriculture, in regard to western agriculture.

I have heard some of my colleagues from the east coast suggest that perhaps the Minister of Agriculture could use his influence with the Minister of Fisheries (Mr. Davis) to encourage him to at least attempt to solve some of the acutely serious problems which exist in that area of the country. I do not think things are as rosy as the minister would have us believe.

The minister says I know nothing about wheat and he is right. But he should have the same modesty when he speaks about oil, gas and the mining industry and admit that by any criterion his knowledge of these segments of the Canadian economy is slight indeed. I am one of those who was around when the minister was on this side of the House as a member of the Social Credit party.

Mr. Cullen: He saw the light.

Mr. Nielsen: Let me inform the hon. member for Sarnia-Lambton (Mr. Cullen) that it was not much of a light.

An hon. Member: That's when your light went out.

Mr. Nielsen: Let me inform the hon. member for Hamilton-Wentworth (Mr. Gibson) that the minister does not know a great deal about agriculture and will not know much if he continues to shift his position as he did in a few short years. We can go back to 1956 when the minister scorned, ridiculed and scoffed at the policies which were being advanced in respect of agricultural policy. These are the same policies, upon which he is heaping ridicule, that he advocated when he was a Social Credit member in this House before opportunism advanced him to where most Liberals wind up in the party opposite.