

*The Budget—Mr. Grégoire*

**Mr. Laniel:** Mr. Speaker, may I direct a question to the hon. member? As the hon. member has shown, the social credit doctrine has not, up to now, been beneficial to him or his predecessors. Has he never considered preaching it in other countries to find out whether it would be accepted?

**Mr. Grégoire:** Mr. Speaker, had I known the hon. member would have asked such a stupid question, I would not have resumed my seat so as to allow him to do so.

The propagation of ideas through preaching does not always bring results. Often one is preaching in the wilderness, to deaf ears, as in the case of the hon. member who just put this question. Wheat seldom grows on stone or rocky soil.

On page 11 of his budget speech, the Minister of Finance spoke about government expenditures and, among other things, said this:

Now that we are better able to appraise the total economic situation this year, and our part in it, the government believes it should exercise further restraint upon its own expenditures, particularly in the field of construction, during this coming fiscal year.

• (3:10 p.m.)

In the following paragraph, he adds:

This will mean deferring a number of plans that have been under consideration, or which we have been requested to undertake by the provinces or others.

Cuts in the field of construction, cuts in the projects under consideration, cuts in the field of public works. That reminds me of the economist who suggested to cut off heads because there were not enough hats, instead of making more hats. Because our country is expanding, the minister wants to slow down that growth.

Since when has it been a wise policy to slow down progress? There is not a single businessman in Canada who would say: "My industry is growing too rapidly, I must cut sales, I must reduce production, I must turn customers down." Not a single industrialist or merchant or businessman would say that.

But, the Minister of Finance wants to curtail works; moreover, he also asks the provinces to curtail their projects. He says:

I hope that the provincial governments, whose construction programs have apparently increased even more than ours this year, will be able to contribute to this desirable restraint upon aggregate demand by holding back until a later year some of the projects they have scheduled for this year.

[Mr. Grégoire.]

There are not enough hospitals in the province of Quebec; sick people wait two or three weeks before being admitted to the hospital, and the Minister of Finance is suggesting that the construction of hospitals be stopped. There are not enough classrooms in our schools, colleges, universities and technical schools, and the minister is suggesting that the construction of hospitals, roads, bridges, leges, be stopped. There are not enough roads. We have the asphalt, the lands, the manpower, the unemployed to build them. Is the minister suggesting that we should stop building roads? Is he suggesting also that we should stop building bridges? That is progress. And we would put a stop to that. Fortunately, I hope that the provinces will not listen to that suggestion or recommendation of the federal Minister of Finance, because it would be a disaster to put a stop to the construction of hospitals, roads, bridges, colleges, universities, in short to stop building so that the country can grow. I hope that the provinces will disregard the suggestion of the Minister of Finance.

The Minister of Finance suggests moderation, not only in the public field, but also, and I quote from the budget speech:

It is clear that action should be taken promptly to moderate the present boom and to maintain a steady and sustainable rate of growth in our economy. We must avoid the kind of boom that will lead to a bust.

"Action should be taken promptly to moderate the present boom and to maintain a steady . . . rate of growth." Since when should a boom be moderated? When a country goes through a period where it seeks to grow the government on the contrary must help that expansion, because, by attempting to slow it down, it reduces development at the risk of stopping it.

The Minister of Finance also suggests that private expansion be cut down when he says:

The first measure . . . reduces the capital cost allowances that may be claimed for various classes of capital assets acquired during the period between now and October 1, 1967—about 18 months. This appears—

Take note, Mr. Speaker, these are strong words . . .

—to me the period over which special inducements to postpone business capital expenditures are likely to be necessary, though of course this is a difficult matter to forecast.

These are 1930 methods. During the last depression, or economic recession, the government offered \$2 for the piglets whose birth the farmers prevented.