

*Agriculture*

two choices: it was either compulsory or he had to do it. That is the minister who says he will resign if something does not happen. Both those ministers follow the same tight money, high interest rate policy that is adhered to by the Prime Minister (Mr. Trudeau), the Leader of the Opposition (Mr. Clark), Mrs. Thatcher, and President Reagan. It is a litany of the so-called private enterprise syndrome. It has been particularly noticeable in the last three or four years. I have yet to understand it, Mr. Speaker, and I know it is difficult for someone with my background, who is just a dumb prairie boy. I am still waiting to find out. I wish the Minister of Finance, the Minister of Agriculture, the Conservative financial critic, and the mover of this motion would explain to me again, for the umpteenth time because I still do not understand, how raising interest rates can reduce the cost of production. I have not been able to figure it out. The hon. member for St. John's West (Mr. Crosbie) when he was minister of finance and the present Minister of Finance both told us they would fight to reduce inflation by raising interest rates. Somehow or other it was supposed to reduce inflation, which would mean a reduction in the cost of production to farmers; somehow or other it would reduce the cost to consumers, somehow or other it would reduce the demand for higher wage increases, somehow or other it would provide an incentive for investors. It has provided an incentive for investors, but not investors in the farm economy, in the housing industry or in our productive capacity. It has provided an incentive for investors in everything from Canada Savings Bonds to term deposits and guaranteed investment certificates. Also it provided an incentive for investing in the United States. This is the only incentive which has been provided—"twas ever thus, nothing changed."

● (2030)

Since coming to this place, I have listened to five or six ministers of finance. They all sounded like Herbert Hoover, R. B. Bennett or Mackenzie King. They have learned nothing in 45 years. They keep doing and redoing the same thing; they did not listen to history. They were condemned to repeat it. The problem is that they repeat it at the expense of farmers, home owners, small-business men and fishermen. High interest rates result in concentrated ownership of land. An across-the-board high interest rate policy does not distinguish between investment in productive capacity, such as farms and small businesses, and investments in swimming pools and fancy shopping centres. The federal government can and should reduce interest rates for home owners, small-business men, farmers and fishermen. They should be geared to their income. This will mean an imposition of selective foreign exchange controls. If Canadian Pacific, BrasCan or any other company has a few spare million dollars to invest south of the 49th parallel or anywhere else in the world, the national government should tell that company that we need that investment in Canada. They should be told to invest here, that they will get a reasonable return on their investment. They should be told that they have one of two choices—it is either compulsory or they have to do it. I am not interested in the person who retires, sells his little business, his farm or whatever. We must

have selective foreign exchange controls in place to carry out an interest rate policy which is geared to the operations and incomes of farmers, small-business men, fishermen and home owners.

There needs to be a moratorium on mortgage renewals for farmers as well as home owners. I recall a provincial premier who tried that in 1944-45. It was opposed in the courts by the then Liberal government and supported by the then Tory opposition. At the time it was indicated that it was an infringement on the right to control or own private property, that it was an infringement into private sector investment. But there was one province which indicated that there was no way to foreclose on the home quarters or the homestead. It was taken to the courts. All the bleeding-heart Tories and Grits cried about poor farmers, home owners, fishermen and small-business men. They are part and parcel of the assistance which was extended then and is being extended now.

**An hon. Member:** Rubbish!

**Mr. Benjamin:** If it is rubbish, I challenge the hon. member to rise and say on behalf of his party and his government that a fundamental change will be made in interest and monetary policies. We will see how long he lasts in his caucus. Since neither this government nor the previous one would take effective control over the monetary policy of the country, it is time for the ordinary citizen to rebel. It is time for the ordinary citizen to tell the banks to get off their fat assets. It is time for people to withdraw their savings from Canadian chartered banks. This would amount to \$130 billion. They should withdraw their savings, pool their capital and put it in credit unions, with direct interest rates geared to incomes. Instead of credit unions being required by law to adhere to the monetary policies of chartered banks, financial institutions owned and controlled by ordinary people could dictate the interest rates.

The government's restraint policy has more in store for us. The Minister of State for Economic Development (Mr. Olson) has some news for us. It is not only interest rates and mortgage foreclosures. He has news in a cabinet document which eliminates clothing and textile subsidies. I hope the hon. member for Chicoutimi (Mr. Dionne) will take his financial lecture to the clothing and textile industry of his province. The minister of state in charge of economic development has even more news. He indicated that we should find ways to make the fishery a self-reliant industry and that federal contributions to the industry should be cost recoverable. This is news for the fishermen of Canada.

Let me turn now to the Department of Agriculture. It was indicated in a document that a review of income stabilization and compensation schemes is currently under way with a view to reducing subsidies. I wonder whether the Minister of Agriculture knows about this. The document indicated that there is a cabinet committee, under the chairmanship of the hon. Senator from Medicine Hat and, further, that ways must be found to stabilize producer income without spending tax money.