

the international market is, "Don't worry about foreign investment review legislation in Canada, it doesn't mean anything." They are right, it does not mean anything.

● (1652)

If one examines the balance of trade figures, it shows a travel deficit of \$1.6 billion. We will never correct that in the long run; there will always be a deficit because of the nature of the climate in Canada. When one looks at the merchandise trade account one finds we are running a \$2.9 billion surplus. We are selling more abroad than we are buying. If we look at raw materials and processed goods as examples, we are still selling more than we are buying. We do not see that in the papers. What are we paying the landlord and the owner of our industry for the money they put out in interest and dividends? There is a deficit of \$3.4 billion in that area.

To put some confidence in the Canadian dollar abroad there has to be a long-term strategy to repatriate the Canadian economy. As long as we continue to pay the kind of rent, profits and interest we have been paying, we will not provide any long-term stability to the Canadian dollar. The Canadian dollar will continue to be weak in international markets.

Look where the Canadian dollar is in terms of West German currency, in terms of Swedish currency and in terms of most of the currencies of west European countries which have domination and control of their own economy and which are not branch plant economies at all. These west European currencies continue to be very strong in comparison to the Canadian currency.

In this budget we have provision for a 50 per cent oil exploration depletion allowance. A large portion of that money will go to the multinational oil companies. They continue to be the spoiled brats of the corporate sector. When there are any handouts coming, the oil companies are there with both hands. What we should be doing is looking for research and technology in terms of renewable energy, looking for alternate energy and bringing forward a conservation program that is worth the name. This is something we do not have now. Forget about incentives to the oil companies. My God, if they have not had enough incentives and they have not had enough profits by now, then how much do they want?

We could have moved forward in a progressive way in this budget, accepting the limitations of an \$11 billion deficit and accepting the worry of how much room there is to manoeuvre. One could have manoeuvred in terms of renewable energy and a decent conservation policy in Canada. Then we would see some improvement in the Canadian dollar and in the unemployment statistics. As a result of renewable energy projects, jobs are created. There are not many jobs attached to the digging of oil wells. But there are a lot of jobs in the coal industry. There are a lot of jobs in the recycling of garbage, in the windmill power field, in the production of solar energy and in other areas of that kind of research and technology. There will be some change, then, in terms of the economic climate. But these tired old solutions which we continue to get will not have a significant impact on our two major problems.

The Budget—Mr. Leggatt

I would like to say a few words about the current speculation in the dollar. We have had some warning from the Minister of Finance that what the opposition does by standing up every day and forcing him to answer questions in the House is to play into the hands of the international money barons. He thinks hon. members are speculating. The Minister of Industry, Trade and Commerce (Mr. Horner)—"Mr. Loose Lips"—has been quoted, a quote that he denies, concerning his comments on the Canadian dollar and the impact it might have.

I would now like to refer to an edition of the *Kamloops News* for April 5 quoting directly the Minister of State (Fitness and Amateur Sport) (Mrs. Campagnolo), who said this:

The federal government will move to fix the value of the Canadian dollar on the international money market once the U.S. dollar stabilizes.

That is a pretty firm statement of government policy in terms of the Canadian dollar. I must say, Mr. Speaker, that we on this side of the House are tired of being lectured to by the Minister of Finance when ministers of the government cannot keep their mouths shut anywhere. They are running around telling one story in one place and another story in another. I do not doubt the international money barons are a little confused, but they are not confused about what is happening here. They are confused because they do not know what kind of a policy the government is following in terms of the Canadian dollar. Therefore, in the absence of any policy the value of the Canadian dollar will go down and so they continue to sell the Canadian dollar short. This is the direct result of the lack of cohesion in the Liberal cabinet.

The solution which I hear from my colleagues in the Conservative party is that somehow we will solve this problem by cutting back in the public service. We will create employment, as Sterling Lyon is allegedly doing in Manitoba. They maintain we will create employment by knifing the public service and throwing people out on the streets. What an inconsistent position to take in a land of 1.5 million unemployed. We will throw the public service on the street with them. That makes no sense whatsoever. It is really Milton Freidman's ideological fanaticism.

An hon. Member: Right on.

Mr. Leggatt: It is time we recognized that Milton Freidman does not possess all the economic wisdom in the western world but is doing a lot of harm.

An hon. Member: Right on.

Mr. Leggatt: I hear my good friend say, "Right on". If he will examine the budgets of the Liberal government, this one and the last one, they could have been written by Milton Freidman because the government itself has not moved in a progressive way.

The Acting Speaker (Mr. Ethier): Order, please. The hon. member for Winnipeg North Centre (Mr. Knowles) is rising on a point of order.