

gary Centre. The sooner we recognize that there is a vast difference between this party and the party opposite, the better understanding we can reach in the debates in this House of Commons.

Mr. Knowles: Tell us what is the difference.

Mr. MacEachen: The hon. member for Winnipeg North Centre (Mr. Knowles) is seeing one of those black spots. He is the one who told us that Members of Parliament sometimes see things that are not there. He has been having one of his attacks in the last moment or two.

We have also secured impressive success in the new growth areas of high technology. I am delighted that my speech in Montreal received as much attention as it did today. I have unusual experiences in my life. I am accused by the hon. member for St. John's West of being silent. When I break my silence, the first man to complain is the hon. member for St. John's West. However, I broke it yesterday and talked about the impressive success that the Canadian economy has had in the area of high technology.

In my speech I talked about the Dash-8, the Challenger, the PT-6 and Telidon. All of these are world class examples of Canadian technology. We need to develop more. The emphasis which the spokesman for the NDP, the hon. member for Kamloops-Shuswap (Mr. Riis) placed on research and technology is a priority which I share and which this government shares. That is why we have placed in our spending plans a high priority on the general area of economic development. One of the most important components in that area is further support for research and development, a well-placed emphasis which was echoed by the hon. member for Kamloops-Shuswap.

I would like to say as well that the regional patterns of economic growth are changing in Canada. I did not hear very much from the opposition this afternoon about the regional character of the Canadian economy, how varied the economy is and how different the rates of growth are in various parts of the country. We all know of the dramatic growth in the western provinces.

Let me tell the hon. member for Calgary Centre that my Canadianism is not restricted to my own region. I am delighted that Alberta is currently showing a strong rate of growth and Saskatchewan has a healthy rate of growth. British Columbia has a problem with housing and services. Why? Because of strong economic activity.

Mr. Andre: You will notice there are no Liberals there. Do you think it is a coincidence?

Mr. MacEachen: I want to emphasize that the pattern of growth is different in various regions. There is a strong and promising growth in western Canada. I assure the hon. member for Calgary Centre that the National Energy Program will assist and facilitate the further development and growth of western Canada rather than impede that growth, as he suggested in his speech. I will be ready to stand by that

prediction a year or two down the road when the economy will be strong and definite.

There is a new promise of growth in Atlantic Canada. There is no longer any doubt that we have a major commercially viable oil field in Hibernia. There are new markets for the coal of Nova Scotia and new potential for the fisheries of Atlantic Canada as a result of the development of the 200-mile limit.

Let us not put down this country in an economic debate. Let us look at some of its strengths and acknowledge its weaknesses as well. There are weak spots in the Canadian economy. The weakest spots recently have been in the automobile industry, in the farm implements industry and in some other manufacturing industries located mainly in Ontario.

We have taken steps to support the automobile industry in this particularly difficult adjustment period. We have taken steps to assist the farm implement industry. We are absolutely determined to ensure that the manufacturing industry achieves its potential for further growth and development. I did not find the same pessimism among the businessmen who spoke to me before my budget, especially from the Canadian Manufacturers' Association. Their message to me was that we have regained our competitive position; we had lost it, but we have regained that position; we are in a good position now to compete vigorously and aggressively internationally; and "Please don't do anything in your budget through additional corporate taxes that will impede our future growth and development."

● (1650)

An hon. Member: And you listened to them.

Mr. MacEachen: We did listen because I thought that in maintaining the status quo in the tax regime in that area we were doing something quite constructive, and that has proved to be the case.

Some hon. Members: Hear, hear!

Mr. MacEachen: The main problems we face in Canada are closely interlinked. The first is the slowdown in productivity, and the second is the accelerating rate of inflation. These are the two problems we face as an economy. I have heard not a word from spokesmen opposite as to how we should cope with these seemingly intractable problems. One gets the impression that they are intractable as one sees each industrialized country wrestle with declining productivity. Even Germany and Japan, the model economies of the world, are struggling with the problem of declining productivity.

So what do we do about it? I receive no answers from members of the opposition. These are worldwide problems, but that does not make them any less serious for Canada. In my address yesterday I pointed out that output per worker has actually declined since 1973 after rising by nearly 3 per cent per year in the previous 12 years. That has happened in our economy; there is no point in attempting to avoid staring it in the face.

Mr. Andre: How come it happened?