

of Canada such as Canadian Arsenals, the Crown Assets Disposal Corporation and the Defence Construction Corporation. Do we need to keep those? Should we not be asking this kind of question rather than making the knee jerk reaction of, "Now that we have them, should not we hold them?"

Parliament should be acting now to reform activities like the Canadian Dairy Commission which has some areas that clearly need reform, as well as the pilotage authorities. Atomic Energy of Canada Limited clearly needs scrutiny and reform by this parliament. CIDA would benefit substantially from scrutiny and reform by this parliament, particularly in light of some of the recommendations of the Science Council, as would the Foreign Investment Review Agency.

Why should these be sacrosanct? Why should parliament be prevented from reviewing their usefulness and continued need to exist? Why should we put that prohibition upon ourselves at a time when it is so necessary for us to practice restraint and save the money of the taxpayers of Canada?

[Translation]

When I said that having partners was essential I was speaking of steps to restrain government expenditures; but today we also need strong incentives for barely half of the real economic possibilities in Canada are being developed. Our rate of unemployment is the highest of all industrialized countries; our rate of inflation exceeds all others with the exception of Italy. Almost all Canadian private forecasters claim that things will be no better next year.

In Canada, we can do much better than that. According to the Conference Board, even a rate of real growth of 4.75 per cent and a rate of unemployment of 5.5 per cent would increase the wealth of the nation by \$41 billion within two years, wealth which could be used to generate new investments and new jobs. The Conference Board also believes that if those growth and job objectives were achieved this year and next year, federal and provincial government revenues would grow by over \$13 billion, which would contribute immeasurably to restoring balance in the government accounts.

What we need above all is incentives. In the aggregate, our stimulants would include a decrease in federal income taxes of at least \$2 billion in favour of Canadians who would spend that money quickly here in Canada; cuts in the mortgage rate and income tax up to fixed limits spread over a four-year period; a tax credit on investments for those Canadians who are willing to invest their money in small Canadian businesses; and specific steps to encourage research and development, to protect capital gains, to protect inventories against inflation and, in particular, to encourage regional development.

● (1732)

[English]

As I said earlier, the effect of the budget introduced by the minister the other night will actually be to reduce the stimulus for the remainder of the current fiscal year. The minister needed a tax cut of \$750 million for the second half of fiscal

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1978-79 to maintain the stimulus which was given to the economy by provincial sales tax cuts. Instead of the \$750 million which was needed, this budget provides only \$300 million. That is by the minister's own admission. The stimulus is down for the remainder of this fiscal year. It is down, after the minister has failed to meet his April growth target. It is down at a time when we are heading into a winter of one million unemployed. At a time like that, the Trudeau government reduces the stimulus in the Canadian economy.

I want to talk for a moment about the budget process. I will not speak for much longer, but I want to talk about the budget process because part of what has gone wrong here in the last ten years is that this government has been so certain that it knew all the answers that it has moved away from people who might have other ideas and might have contributions and suggestions to make.

The minister has boasted that he had more consultation this time. He had a series of private and secret meetings across the country, and I congratulate him for that. That is a step forward, but it is still a step in the shadows. What should be happening is that this kind of consultation should be taking place here in the open. I say "here" advisedly because, before a budget is brought down, the obvious place for discussion of the economic climate and economic potential of this country is in a committee of the House of Commons. That is what we are here for. That is what parliament was established to do. If we were able to do that, we would be able to invite, to a committee of this House, the consumers' association, the manufacturers' association, the Canadian Labour Congress and all groups which have legitimate interests in national economic policy. We would be able to sit down with them, as well as with representatives of the C. D. Howe Institute, the Fraser Institute and a number of other private agencies which are concerned about economic policy. We would have public discussions which would increase and improve public understanding of the economic problems and the economic potential of this country.

Other countries do that, and we need to do that. As a government, we are going to do it as part of our reform of parliament.

Some hon. Members: Hear, hear!

Mr. Clark: A reform which we will introduce will be the annual publication of five-year spending forecasts and five-year revenue forecasts of the Government of Canada. What is almost unbelievable and almost impossible for me to accept is that in the United States, in the United Kingdom and in Canada there are five-year revenue projections and five-year spending projections, that in the United States they are published, that in the United Kingdom they are published, but that in Canada under the Trudeau government they are kept secret.

Why are they kept secret? Why should parliament not know what public servants know when they set budget policy? Why should the people of Canada not know about the implications, five years down the line, of budget policy which is being