

ineptness and downright sloppy management. All this is not unexpected in light of the fumbles we have already seen from this government in the first five months it has been in office.

Therefore, we will be examining this bill in detail when it goes to committee. We have an obligation as the official opposition while this Conservative government remains in office—and I suspect the people of Canada will decide it will not be too long—to try to ensure that this Conservative government does the least possible damage to the Canadian people and to the Canadian economy.

**Miss Pauline Jewett (New Westminster-Coquitlam):** Mr. Speaker, in listening to the speaker who has just sat down, the hon. member for Windsor West (Mr. Gray), I realized once again how little difference there is between the Liberal party and the Progressive Conservative Party on economic policy. Nothing was said by the hon. member to suggest alternative routes that might be taken by the present government to get the economy out of the mess in which the Liberals left it, not a word. The hon. member quibbles about a lot of minor matters which I found tedious to listen to. There was not a single suggestion for the Conservative government—and it needs suggestions—as to how it can rectify the economic situation in this country.

The Minister of Finance (Mr. Crosbie), whom I have never had the pleasure of listening to before, is undoubtedly delightful, but he reminds me a bit of the captain of the Titanic—you know, laughing as the ship goes down! He says he is being consistent in his position, and yet it was the Conservatives in the election campaign who promised lower interest rates, who promised to stimulate the economy and who promised tax cuts for middle and low income groups. In other words, they promised those things the Liberals had failed to do. They promised to give a different direction to Canadian economic policy. Whether one entirely agreed with them, one had the feeling we would have a government in power, should the Conservatives win, that would put the economy more sturdily on its feet and take directions different from those pursued by the previous government.

● (1600)

What happened? It is not good enough for the Minister of Finance to say that he will get rid of all the mess and, as soon as he can, bring down a budget that will put us on our brave new path. There is nothing to prevent the Minister of Finance bringing down a budget earlier. There is nothing to make him wait until the end of November, as I think it now is. We would have been glad to see the government's financial and economic plans generally for the next year.

One of the reasons for the delay, and there are no doubt many, is that there is no chance for the government to implement the economic policies it outlined before and during the election campaign. It does not wish to implement them. It made a commitment that there would be lower interest rates. As we all know, interest rates have gone up and up. The Minister of Finance could have taken action on that and he knows it, but he failed to do so.

### *Borrowing Authority*

I am sorry to have to say this, but I understood the steering committee of the Standing Committee on Finance, Trade and Economic Affairs had agreed that the Minister of Finance would be heard prior to the governor of the Bank of Canada.

**Mr. Lambert (Edmonton West):** So what?

**Miss Jewett:** The Minister of Finance stated today he would appear when he was able to be here, after the governor of the Bank of Canada, and only then when he is in town. That puts the governor in the position of having to meet the committee first.

**Mr. Crosbie:** It was his preference.

**Miss Jewett:** The government is hiding behind the governor of the Bank of Canada on its interest rate policies.

**Some hon. Members:** Hear, hear!

**Mr. Lambert (Edmonton West):** Talk about the bill.

**Miss Jewett:** I am sorry to have to raise this, but it is a very important point if we are going to get from this government clear directions on its economic policies, including interest rate policies. We were told they would lower interest rates, but they have not done that. Nor have they given any guidance to the bank on that question. They are hiding behind the governor of the Bank of Canada.

It is a similar situation with tax cuts. We have not seen tax cuts. In fact, as was mentioned in yesterday's report from Statistics Canada, average family income has dropped in real purchasing terms for the second year in a row. Average pre-tax family income was \$21,346 in 1978, up only 6 per cent from 1977. As inflation was up 9 per cent last year, the real purchasing power of family income actually dropped by 3 per cent. That follows a drop of 2 per cent the previous year. Where are the tax breaks for the average and low income earner in Canada which were to have been a part of this party's new economic policy?

There is another avenue the Conservative party might well have taken but declined to do so and is therefore following in Liberal footsteps once again. This is in relation to what some people have called our hidden welfare system. Our tax system is supposed to be basically progressive. You tax those with more income more than you tax those with less. It would do a great deal if the present government would find more money through the tax system, and therefore have to borrow substantially less. That is bang on the subject of this bill.

Our tax system is a haven for those with really ingenious accountants. It rewards the greedy, punishes the hard worker, favours certain companies, notably oil and gas companies, mining companies and banks, and penalizes the average worker. If the Conservative party really wanted to show a new direction for the Canadian economy, particularly our fiscal system within that economy, it would take a serious look at some of these tax breaks.