problem in any meaningful way. This budget says nothing which really matters about interest rates, a factor in this deficit on current account. It does, of course, propose a temporary financing measure to help small business meet the burden of higher interest rates, but this is only for one year, and the burden of high interest rates on Canadians is much wider and heavier than the burden on small business and, of course, that is serious enough. A recognition of this is found hidden in the tables attached to the budget setting out what the government expects to pay in interest on the public debt over the next several years.

In addition, in its provisions to encourage Canadians to invest in shares, the government would allow this to be done only for companies incorporated in Canada and listed on the stock exchanges in this country irrespective of the ownership or control of those companies. Surely this proposal should be, if not limited, at least oriented, to companies which are Canadian-owned or Canadian-controlled.

Some hon. Members: Hear, hear!

Mr. Gray: Otherwise, this proposal would serve mainly as a means of enabling foreign-controlled companies to have even greater access to Canadian savings than they do already simply by making a minority equity interest or an interest in non-voting shares available for public trading, with foreign control of these companies continuing all the same. Surely we want to use measures such as these not only to encourage share investment by Canadians but also to have this done in a way which helps Canadian-controlled companies which often do not have the same access to needed capital as do foreign-controlled subsidiaries. It is strange that the special income bonds proposed in the budget as being available to small business for one year are available only to companies which are Canadian-controlled. Why should this not also be the case for the share investment plan proposals? But at the same time why should the share investment proposals be limited as a vehicle for Canadians only for shares of companies traded on the stock exchanges?

This will make it all the harder for many small privately-owned Canadian companies to get the capital they need to expand, to grow, and in some cases simply to stay in business. This Conservative proposal is biased toward larger companies, those big enough to be able to list their shares. Certainy smaller, privately-owned companies should also be eligible under these proposals. Yet, while these proposals have some use, they will not be much help to most Canadians in the middle and lower-income groups. They will not have the $10,000 of the $20,000 to invest in these plans, certainly not with the additional burden over the coming years of higher energy prices and higher excise taxes imposed on them by this Conservative government.

● (1620)

There is something else that might have been done with respect to share ownership, something the Liberals proposed during the election campaign, that is, something specifically aimed at helping workers purchase shares of the companies where they work. It is a worth-while proposal that should have been given priority in the budget instead of some of the other things we have seen in it.

The Conservative answer to our balance of payments problem is to encourage more exports of unprocessed, non-renewable raw materials. this, in fact, is what their decision to allow larger exports of natural gas really means. Rather than use it to build up and expand our petrochemical industry, rather than use it as a substitute for imported oil, Conservatives have agreed to export it and they have done so without getting any commitment that American gas will be available later to Canada on a swap basis at the same price.

Some hon. Members: Hear, hear!

Mr. Gray: They have done so without getting any commitment in return from the United States for greater access for our manufactured goods. The Conservatives have allowed these exports, without getting any final commitment on the building of the northern gas pipeline. They do not have any final commitment from the gas producers that they will finance and ensure the building of a natural gas pipeline to Atlantic Canada. Instead, through this budget, Canadians are being asked to pay higher fuel prices and higher taxes under the guise of helping Canada reach energy self-sufficiency. But to the extent that any of this money is used to find new oil and new natural gas, I ask the House what assurance Canadians have from the Conservative government that any new reserves found at the expense of Canadian taxpayers, middle and lower-income Canadians, will not simply be exported to the United States. This is happening with much of the reserves of natural gas found in recent years in Canada, natural gas reserves found with money put up by Canadian taxpayers through higher prices and through tax expenditures.

Some hon. Members: Hear, hear!

Mr. Gray: There was no answer to this key question in the budget speech last night.

As I said yesterday evening, this budget is just the opposite to the kind of industrial strategy which this country must have. This kind of strategy must be based on the basic strengths of our economy, our actual and potential energy supplies, and our ability to produce them at less than world price. This strategy must also be based on a commitment gained through government leadership from our industry to produce more end products, more fully manufactured goods both for domestic and, above all, for our foreign markets. Rather than selling abroad more and more of our raw materials in an unprocessed form, we have to produce more end products or fully manufactured goods. This means encouraging Canadian innovation and technology, Canadian entrepreneurship, Canadian ownership and control. It also means ensuring high standards of productivity and efficiency on the part of all sectors of the Canadian economy.

This budget does not do this at all, it conflicts with these objectives, it hampers their achievement.