

United States. So where is this correlation that if money is taken away from people every time they buy something they will prefer not to buy and will save the money.

Third, even if a tax mix change in favour of consumption increased personal savings somewhat, the effect on total savings in the economy would be trivial since personal savings are only a small percentage of total savings.

Total savings include retained earnings by corporations. Savings also include Canada Pension Plan and Quebec Pension Plan contributions. Contributions towards unemployment insurance and accident insurance are also considered savings. Payments on insurance policies are considered savings. In economic terms and in statistical terms, those are the majority of savings in a country. It is not only personal savings that make the difference.

Moreover, even if the private rate of savings were to increase, it is not clear that investment would increase. To raise domestic productivity, the additional savings would have to result in increased business capital formation in Canada. But in a small, open economy like Canada's, there is likely little connection between domestic savings and domestic investment since domestic interest rates vary directly with international interest rates.

There is a fairly well-founded rumour going around that Power Corporation is selling off all its remaining assets and getting into a liquid position. Where do you think it is parking its money? It is parking it in Europe in écus and Swiss francs.

**Senator Haidasz:** Shame!

**Senator Gigantès:** I do not know if it is a shame.

**Senator Haidasz:** It should be invested in Canada.

**Senator Gigantès:** One must not ask capital to have patriotism.

**Senator Stanbury:** Or emotion.

**Senator Gigantès:** Or emotion. Absolutely not. Who knows, but perhaps when artificial intelligence is perfected we can enter emotion, shame, patriotism and humanity factors into the computer and perhaps the computer will make decisions that are more beneficial to the general welfare than the hearts of Tory capitalists. There have been good capitalists, but they are either Liberals or crypto-Liberals.

**Senator Turner:** No integrity.

**Senator Gigantès:** Integrity! Let us not use words that we do not understand, senator.

**Senator Haidasz:** What happened to corporate citizenship, senator?

**Senator Gigantès:** That is the only citizenship they accept in their hearts, the citizenship of their corporations. Corporate citizenship is an aptly coined phrase.

**Senator Haidasz:** Good corporate citizenship.

**Senator Gigantès:** Good corporate citizenship. They would say, as it was said in that marvelous movie, *Wall Street*, by Michael Douglas, "Greed is good, greed is right. It is what

[Senator Gigantès.]

builds fortunes." Unfortunately, it builds fortunes but does not necessarily build nations. That is why people have invented governments, because if everything had been left to private greed, nations would not have been built and we would still be in caves dodging sabre-toothed tigers with mellifluous accents.

By the way, senators may remember that line in *My Fair Lady* about the dreadful Hungarian. I do not want to say anything bad about Hungarians, so I will replace "Hungarian" with the word "vulgarian".

**Senator Frith:** Zoltan Karpathy.

**Senator Gigantès:** "Zoltan Mulroney" is what I am talking about. "Zoltan Mulroney oozing charm from every pore, oils his way across the floor." That is the feeling I have every time I see him.

But in a small, open economy like Canada's, there is likely little connection between domestic savings and domestic investment since domestic interest rates vary directly with international interest rates.

Power Corporation will probably take all its money and invest it in Europe, where it thinks the new Marshall Plan fueled by West German energy will create great opportunities for increasing that money, and we will never see it again.

If domestic savings increase, domestic interest rates might fall in the short term . . .

If there is an abundance of money to lend, then the "rent" paid to borrow it goes down; interest rates are "rent".

**Senator Haidasz:** Honourable senators may have heard that Phil Esposito received tens of millions of dollars to invest in a National Hockey League franchise in Tampa, Florida. I hear that the Ottawa Senators club also got a National Hockey League franchise yesterday. We should be happy about that. They will be called the Ottawa Senators.

**Senator Stanbury:** The fighting Senators.

**Senator Haidasz:** Yes. We are giving them an example of how to fight during the debate on the GST.

However, the club and the organizers should be congratulated and we wish them all a very successful hockey season here in Ottawa. They do not have an arena or the land on which to build one. Perhaps Power Corporation could finance the Ottawa Senators' club or lend them some of the millions of dollars that Senator Gigantès suggests may go to Europe so that they could buy the land and build a modern hockey arena.

**Senator Gigantès:** Senator Bonnell brought up this issue yesterday and I pointed out that, if they have the usual problems of a start-up team, they will not be brilliant during the first few seasons. If the cost of the ticket is increased because of GST, and the cost of every hot dog, can of beer, and of the hotel which they will no doubt have—with picture windows looking onto the arena so it can be seen what the occupants of those rooms are doing if the hockey game gets dull, they may have a rocky road. They may be unable to fill the seats; they may not have sufficient spectators and may have a problem with making enough money to be able to afford what is necessary for a hockey team, which is the