

The Budget—Mr. Marchand

As the percentage bite of taxation on individual earners in this nation increases, it destroys incentive, then the only way to even come close to balancing the budget is to incur more debt.

Getting back to the question of foreign investment for a moment, there are certain political philosophies in this country which regard profit as a dirty word, whether it is earned in Canada or anywhere else, because somebody is getting that profit. I would rather have Canadians attaining a profit so that we can have productive industries in this country than have foreign lenders charging us enormous, staggering levels of debt interest. They help us maintain a false sense of security and a false sense of well-being based entirely on debt dollars. That attitude which allows an increasing imposition on the ordinary wage-earners of this country is tied in essentially to the whole concept of Keynesian economics—that we can continue to borrow more and more and continue to print paper dollars. But sooner or later someone else is going to keep the profit. We will become so far in debt that we will have to put up walls, ever-increasing levels of tariff protection, to pay the high wages and accept the low productivity which comes from an inefficient society, a society where it does not matter if you work or not. What do we then become? Look at the example of the countries which belong to the Soviet bloc. I submit that if we value our freedom we cannot afford to build these walls around Canada. We have to trade competitively in an international world. Our labour has to work for competitive rates of compensation and our tax system has to be competitive with that of our immediate neighbour, the United States.

● (1632)

I have not talked much about specifics, but I should like to—

Mr. Deputy Speaker: I am afraid the hon. member will not have time. His time has expired.

Mr. Siddon: I should like to have a closing word, Mr. Speaker.

Mr. Deputy Speaker: The only way to do that is by unanimous consent. Is there consent to allow the hon. member a closing word?

Some hon. Members: Agreed.

Mr. Siddon: I do not believe we want a dual monetary system that keeps people locked in this country. I think we should listen to the things our Prime Minister has been saying. He says we must accept more authority in our lives, one party democracy—that seems to be a concept of his—and we should consider that we might be going in a different direction than the one in which we thought we were setting out. I ask hon. members to consider these facts and to consider that this budget is far less than adequate in coming to grips with the problems which confront our economy.

Hon. Len Marchand (Minister of State (Environment)): Thank you, Mr. Speaker. I have been losing my voice today so I am not sure how long I shall be able to carry on, but I will do

[Mr. Siddon.]

my best. First, I should like to congratulate the hon. member for Burnaby-Richmond-Delta (Mr. Siddon) who has just resumed his seat. I understand this was his maiden speech.

An hon. Member: No.

Mr. Marchand: Maiden speeches in the House of Commons are all special occasions for hon. members. I cannot be so generous as to say I agree with everything he said. He was preceded in this chamber by two distinguished members from Burnaby-Richmond-Delta, Tom Goode, whom I knew very well, and John Reynolds, whom I also knew very well. They were both distinguished members who always addressed themselves to this chamber in a very good manner. I expect the hon. member will want to carry on the high tradition of his predecessors and, of course, the high tradition of this House.

Before I get into some of the notes I have here, I want to say in a general way that as a British Columbian I welcome a number of portions of the budget. One portion of the budget I particularly welcome is that which refers to the mining community. If anything needed a shot in the arm in British Columbia, it was the mining sector. It is a very important sector of the country and a very good sector of the economy of British Columbia. Coming closer to home, it makes a very important contribution to the economic life of Kamloops-Cariboo.

There are some on the other side who have said that the budget presented by the Minister of Finance (Mr. Chrétien) was cautious and unimaginative. Of course, there are always those on the other side who will say he has not gone far enough with respect to whatever happens to be their favourite target. If it is a cautious budget, I will not fault my colleague for that, given the delicate balance which has to be maintained, with respect to inflation, unemployment, economic development and the health of the Canadian dollar abroad. We certainly do not need any of the imaginative flights of fancy suggested by some hon. members opposite for the financial management of the country.

One of the areas in which the Minister of Finance and the President of the Treasury Board (Mr. Andras) have quite rightly insisted on caution and restraint is in the field of total government expenditure. We have reduced planned expenditures for 1979-80 by \$2.5 billion as a painful though necessary part of bringing government expenditures into better balance.

My department, the Department of the Environment, has, of course, made its contribution, and a significant one, to this necessary restraint program. Next year we shall be reducing planned expenditures by more than \$40 million, and if anyone thinks this is a fictitious reduction, I shall be glad to demonstrate in some detail that it is very real. It is never an easy matter to cut one's budget, but we in the Department of Environment realize that cutbacks have to be made and rather than suffer because of this, we have honed our operation down to essential programs and activities. Where possible, as in the case of the Petawawa Forestry Experimental Station, we have combined rather than terminated programs. Certainly, the cutbacks were hard to make, but while accepting the necessity