

*Income Tax*

in. There is no admission. The Liberals would not take any responsibility for the faulty policies or the mismanagement of the country. The Liberals would never take responsibility for the disastrous National Energy Program or for FIRA and the adverse effects that has had on investment in this country and the adverse effect it has had on jobs in Canada. Nor would the Liberals assume any responsibility for the uncontrolled growth and spending of Crown corporations, which the Auditor General has just told us about. The Liberals would never assume responsibility for \$200 million going to Canadair when that amount could be financed outside of the Government. What do the Liberals care? They do not want to take any responsibility for a \$25 billion deficit.

The Minister of Industry, Trade and Commerce (Mr. Lumley) appeared before the committee the other day. We were talking about \$200 million going to Canadair. I asked him where the money would come from. The President of Canadair said, "The Government, of course, where else?" Everybody lines up at the trough.

This Government has \$25 billion less than nothing at all. Yet here we are going back to the trough for another \$200 million. But that is peanuts. What about de Havilland? It wants only \$1 billion.

This Government does not assume any responsibility for those Crown Corporations, nor any other Crown Corporation, nor the deficit. This Government likes to back losers. Maybe the Liberals do not take responsibility for backing losers either. The Liberals blew \$125 million on Consolidated Computer, but the Liberals do not take any responsibility for that.

In looking back over 14 years of Liberal mismanagement, how could anyone go about mismanaging anything quite so badly? But there is one over-riding factor. It is sad to say but the Prime Minister of this country does not care about economics. He never has. He does not understand economics and he just does not have any interest in economics. He likes Constitutions, foreign travel and external affairs. He does not like economics because he does not understand economics. He has no understanding of business or business incentives. It is clearly evident from his speeches that he does not care. Yet we have a Minister of Finance who stands up and says, "We have to dedicate ourselves to the private sector. We must continue to practise fiscal responsibility. We must persist in restraining Government spending." That is what the Minister said on October 27. These statements come from the most profligate Government we have ever known in Canadian history. In 1968 Government spending was \$12 billion. Fourteen years later it is \$80 billion.

**Mr. Blenkarn:** It is \$90 billion.

● (2130)

**Mr. Thomson:** But the Government says that it wants to restrain Government spending. Here, it spends \$200 million on advocacy advertising. Yet it wants to restrain Government spending. It is a farce.

The Minister goes on to say that we must continue to rely primarily on the dynamism and creativity of the private sector as the engineer of growth in Canada. I seem to recall that it

was only a couple of years ago when the Prime Minister said that the private sector could not be relied on any longer. Now the Minister of Finance tells us that we must rely on the private sector. Which will it be?

The problem faced by the Liberal Party is that it does not really believe in the private sector since it is locked into a dogma that does not allow Liberals to believe in it. This dogma states that the Liberals know best what is good for Canadians. Those Members on the other side have all that business experience so they will run our businesses for us, tell us what to do and give us the grants. They will spoonfeed those grants, however, and will decide who the winners and losers will be since they have all the business experience. I think there is one Member over there who was in the Coca-Cola bottling business who claims to be a businessman. The Liberal Party is locked into a dogma that says it knows what is best for Canadians and cannot allow the people to make their own decisions.

The November 1981 budget addresses businesses as if it were a dread disease, instead of the main force for economic growth and job creation, because the Government does not believe that the private sector is the main engine of economic growth and jobs. The Government only says it is that because it sounds good politically.

While the Government says that it must rely primarily on the private sector, the budget eliminated practically all incentives for investment in this country. Each incentive was originally placed in the Income Tax Act to encourage entrepreneurial activity and investment. But the Government decided that in our best interests it would eliminate those incentives because it does not want to provide incentives and does not like entrepreneurial activity. The Minister went on to say that he intends to foster the certainty and stability that are basic preconditions for a favourable economic climate. Therefore, if the Government intends to introduce basic stability in favourable economic climate, do you know what it will do? It will introduce a 300-page Bill with over 75 major changes to the Income Tax Act in order to create stability and this wonderful economic environment that it wants. The Government believes that the certain way to create that stability in our economic climate is to introduce a 300-page Bill with 75 major changes which no one in Canada will understand. That is how it intends to proceed.

The Minister went on to say that this requires development of our technological base, increased investment and new and innovative approaches to organizing work and labour management relations. The Minister enjoys that word "investment". He went on to say that in future, economic development in Canada will be managed by politicians and bureaucrats. I find it difficult to understand, when the Minister says that economic development in Canada will be managed by politicians and bureaucrats, how it compares with relying on the private sector as an engine of growth. Can anyone explain that logic to me? They appear to be completely contradictory statements. Either the Government will rely on politicians and bureaucrats or it will rely on the private sector, but it cannot do both. They do not represent the same thing.