

The minister also talked about the right to strike. I hope this government will bring in—

Mr. Horner: You would not be brave enough to support it.

Mr. McKenzie: Every time we speak, he clears out. I hope he reads *Hansard* tomorrow. The minister referred to indexing of pensions. That was not meant as a permanent cure-all for all of Canada's problems. We recommended indexing of income tax because the Liberal government is taking far too much money from the Canadian people. That is something that has to be reviewed. Once again the minister was misleading the House.

The minister made a strong point about the fact he could not always get his way in the Conservative caucus. Nobody gets their way all the time in any caucus.

Some hon. Members: Hear, hear!

Mr. Horner: I said I was glad I left.

Mr. McKenzie: I will say what I have to say whether you are here or not. The minister got across a lot of his issues when he was here. We supported him on many of them. However, he certainly did not convince the Liberals to implement any of his recommendations. I never saw him voting with the Liberals at any time while he was on this side. I hope he can convince them now on some of these issues.

The minister does not have to give us a lecture on how great this country is. We know how great it is. It is this government that is bad. I challenge him to produce any newspaper, report or document that supports this government. I have not found a single one.

I understand that at the business conference the minister attended in Toronto, he asked a group of businessmen for a show of hands on whether they had faith in this country or would move out of the country. Very few businessmen or investment people will advertise they are leaving. They just go away quietly. You only find out later.

When you read some of the minister's comments, you find that he does not have too much credibility. One comment in particular was made on January 8, 1976, referring to the Prime Minister (Mr. Trudeau), and I quote:

Stopping him is the duty of every Conservative in Canada. It is the task of every Canadian who cares about the freedom and prosperity of our land.

In another comment on March 10, 1977, he said:

Do you really think I should lower myself to be in the same party as Transport Minister Otto Lang, who has ruined not only the nation's transport system but its grain industry too?

There are many other comments. I will get to them at another time. In every newspaper and business report across the country, the heading of a story starts off with such headlines as "The economy: a mess". I quote from one article:

The Canadian economy is in very poor condition. If it continues to function along the same lines it will be in even worse condition in five years.

Income Tax

That is the gloomy finding of the Economic Council of Canada in its fourteenth annual review. It goes on to list all the failings of the government.

This afternoon I received a news release from the Information Division, Department of Finance. It was issued November 7, but just reached my office this afternoon. Apparently the Minister of Finance (Mr. Chrétien) is concerned about this bill. He says that it is a complex bill and he wants us to pass it with despatch, having regard to its importance. There is one sentence here I do not understand. The minister stated:

To a considerable extent, the economy depends on business confidence.

We are not concerned about business confidence in the country but confidence in this government. That is our problem. The business community and Canadians in general do not have any confidence in this government. I intend to go into that in detail.

We fully support the personal income tax provision in this bill. We have been calling for that for many years. As usual, it takes the Liberal government five to ten years to start taking action on most issues.

• (1712)

The minister, in his release, also referred to investment incentives. I can tell you, Mr. Speaker, that these incentives no longer mean anything in this country. Businessmen do not trust the government and are not taking advantage of the incentives—I shall refer to that subject in some detail in a few moments.

There is one paragraph I should like to read from the latest report of the Economic Council. It is in section 4 with reference to savings, investment and capital flows. It states:

The main source of economic expansion, employment growth, and improvement in the quality of life is investment, not only in the manufacturing sector, but also in such areas as education and training, health, protection of the environment, and basic research. Investment also promotes technological advances without which expectations of an ever-rising standard of living would falter. Traditionally, Canadian industry has counted heavily on infusions of new capital to enlarge its productive capacity and to create the potential for a greater supply of output.

Unfortunately, Canadians have now become the largest investors in the United States and investment in Canada has been falling off by the hundreds of millions of dollars, a clear indication that both Canadians and foreigners have no faith in this country or in this government. There is evidence to support that statement fully.

On page 79 of the report in a section headed "Structural Problems", there is a sentence which reads: "The Department of Industry, Trade and Commerce has for some years been working on an over-all industrial and investment strategy for Canada but this plan has not been fully articulated."

I wish the minister were here now to explain the delay in implementing this plan. There will not be anything left to implement in this country if he does not get busy and start talking to the business community and the investors in order to find out what needs to be done to keep them in this country. Maybe the minister is not aware of this plan. I do not know. He and the Prime Minister have informed the House that they