

Borrowing Authority

Mr. Waddell: Mr. Speaker, I do not know who has described it as such. Perhaps the Minister's Department did, or one of his very well paid public relations people in one of their brochures or one of their advertisements. All I can tell you is that in my riding there is need for homes and there are carpenters not working and homes are not being constructed. We have a co-operative group in the riding, called Columbia Housing. They have line-ups of people who want to build co-operatives. I did not say that the Minister has not done anything. He has tried things, but they have been a drop in the bucket, like the Government's job creation program. It is, if I might say, a typical Liberal response. It is, sort of, go this way, go back, go forward, drop a little here and drop a little there. There is no co-ordinated long-term program. That is the problem with modern day Liberalism, which is why, like the dinosaurs, it will soon be extinct.

Mr. Nickerson: Mr. Speaker, I have a question for the Hon. Member from Vancouver-Kingsway (Mr. Waddell). If I understood his presentation correctly, on behalf of the New Democratic Party he was advocating an even greater stimulative deficit. He wanted to spend even more Government money in order to create employment.

If that were to take place, there are two alternatives. Either the Government can borrow or print more money, and if that is the way that he would like to get these revenues, I would like him to tell us how much, in addition to the already high deficit, he is prepared to go, or, secondly, the Government must increase taxation. So is his policy similar to that of the new New Democratic Party Government in Manitoba, which has just recently increased sales taxes, put taxes on employment, increased tobacco and liquor taxes and all other kinds of taxes on the people of Manitoba?

Mr. Waddell: Mr. Speaker, there are a number of questions there. First of all, I did not use the words "stimulative deficit". I think it was the Hon. Member from Yellowhead (Mr. Clark) in a previous incarnation who used the words "stimulative deficit" when he advocated that.

The deficit, as I see it, is the product of shrinking revenues plus all the UIC and welfare payments. It seems to me that we should not focus on the immediate short-term deficit so as to be able to say that we cannot do anything because the deficit may go up. I agree with what the Hon. Member for Thunder Bay-Atikokan (Mr. McRae) said about the deficit during World War II when we had a huge deficit and when we were priming the economy. We eventually got that money back, and I think that will happen again. We will get it back if we can put people to work. So it is proper not to focus on the deficit. We should talk instead about job creation.

With respect to Manitoba I understand that Manitoba still has the second lowest sales tax in the country, but what I think some of the Provinces need, frankly, is to take a look at the budget where one alternative would be—and I am not adopting this, it is only my own suggestion, but it is something that I think the Minister of Finance might look at—the idea of

rebating some of the money to the Provinces so that they could reduce their sales tax.

If a Province like Manitoba or British Columbia or some of the other Provinces that are strapped for cash could rebate some of that money, then they might be able to reduce their sales taxes or stimulate the economy in other ways, or they might be able to stop cutbacks. For example, in my own Province there are needless and stupid cutbacks in education.

So what I am saying, to sum up, and it is not an easy answer, is: do not lose sleep over the deficit. I think it is the wrong focus.

I have only a minute in which to answer this, so I would like to send over to the Hon. Member the Australian Labour Party Program with respect to the deficit because I think it is excellent on this. I would ask him to have a look at it and I would be prepared to answer some questions and discuss the fiscal and monetary policy that is in there with him in private.

Mr. Harquail: Mr. Speaker, as I put a question to the Member for Vancouver-Kingsway (Mr. Waddell), he spoke about my settling down. If the Hon. Member would not make inflammatory statements and talk about religious question—

Mr. Deputy Speaker: Will the Hon. Member put his question and discuss the point.

Mr. David Smith (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the changes in the rules allow Members to make brief comments. They are not obliged to put questions.

Mr. Deputy Speaker: The question is relevance. The comments must be relevant to the matter under discussion.

Mr. Harquail: Mr. Speaker, I started out by talking about the relationship of a remark that was made earlier by the Hon. Member for Vancouver-Kingsway. In the debate on Bill C-143 today, the Hon. Member was talking about the economy. Does he agree that in recent weeks the bank rate has dropped to 9.43 per cent and the prime rate to 11.25 per cent? The inflation rate, as confirmed by a statement by the Minister for Commerce and Development in the Ontario Legislature, is 6 per cent. Housing starts are up. The manufacture of cars is up, as is our export surplus.

• (1520)

In the television program "Question Period" the other day the Hon. Member for Vancouver Centre (Miss Carney) stated, on behalf of the Conservative Party, that things are looking better, that there is a turnaround and an upswing in the economy. In light of statements by the Conference Board of Canada and the statement by the Hon. Member for Vancouver Centre, plus the fact that interest rates and inflation are down, does the Hon. Member admit that, because of the policies and efforts of this Government and what it has done to deal with these problems, there have been significant improvements? Does he admit that?