

*Supply*

have said in my speech, the kind of policies which these past Liberal Governments have supported have been clearly supported by the Canadian public. If he wants to consider the last 15 years, if my memory serves me correctly, the Opposition has been in power for nine months of those last 15 years, which seems to me to be a relevant indication of the degree of support his Party has had.

The second point in reply to his question is exactly this: the kind of economic policy which the Government has always espoused is that which was presented within the budget of my colleague, the Minister of Finance. That clearly does argue two points, one being that the private sector is a motor for economic development and, second, that the Government has a positive role to play in creating a context which would make that private sector activity fruitful and effective.

We do not believe what perhaps the Hon. Member believes. I am not sure that he believes it. We do not believe, as many Conservatives do, that the proper role for Government is simply to stand as far away as possible from these concerns and allow the private sector to work without any role for Government at all. We believe that the proper approach and the one which has clearly been the approach followed throughout Canadian history, is a positive partnership of Government and the private sector.

That is why in the budgetary proposals brought forward by the Minister of Finance—

**Mr. Mazankowski:** You don't practice what you preach, though.

**Mr. Roberts:**—we brought forward a variety of tax proposals which we believe, and I think the private sector believes, will create economic activity and growth in the country. The budget also recognizes that it will take some time for the impact of those budgetary proposals to be felt. As a result, we brought forward the Special Recovery Program which involves a direct participation of the Government in creating jobs to bridge that gap until the private sector incentives begin to have their impact. The budget quite clearly indicates the kind of general economic approach we on this side of the House follow, one which states that the Government does have a legitimate and useful role which should be pursued, and one which also tries to create as open and as positive a context for private sector activity as possible. Does the hon. gentleman disagree with that approach?

**The Acting Speaker (Mr. Corbin):** Order. The Minister's answer is rather long.

**Mr. Thacker:** Mr. Speaker, I want the Minister to tell me where the governing Party believes the amount of revenue which goes to service the debt should stop, because when it first came to power in 1968, it was very small. Some 5 per cent of tax revenue went to service the debt. During those 15 years the debt has risen dramatically, so that now the percentage to service the debt is over 30 per cent of tax revenue. One dollar in three goes to service the debt, which means that it is concentrating wealth into the hands of people who already have

wealth. We are very much becoming a class society. Where does the Minister want to cut it off, at 40 per cent, 50 per cent, 60 per cent or 70 per cent?

**Mr. Roberts:** Mr. Speaker, I will not give the hon. gentleman a specific percentage. I would suggest two facts that he should keep in mind in approaching or determining that question. The first is that a great deal depends upon what stage of the economic cycle one finds oneself. The level of debt which is appropriate when there is a high level of prosperity and, therefore, high revenues in terms of the take in Government taxes, is a different situation from one in which one is managing fiscal and monetary policy in a recessionary situation.

The other suggestion I would make to the hon. gentleman is that he should not only look at the debt side, but he should also realize that the debt and the service charges on the debt reflect payments for real assets which are in the country and that the importance of those assets can be reflected in the size of the Gross National Product.

**Mr. Thacker:** Canadair.

**Mr. Roberts:** He should not only look at the debt side, but he should also make an assessment of the tremendous assets of the country which that debt has helped to create.

**Mr. McKnight:** Mr. Speaker, I would just like briefly to ask the Minister a question and make the comment that, as far as economic development and the economic spin-off is concerned, the Hon. Member for Ottawa Centre (Mr. Evans) feels that the Conservative Party has contributed more economically to his riding, I am sure, in the last three or four days than the Party which is in Government will over the next number of days in the future.

I would simply like to say that when one speaks of the increase, when one considers on a national accounts basis the increase in debt over the last 12 years, the debt has increased 693 per cent. That is more than a slight variance. If one wants to use the public accounts basis, it has increased 554 per cent.

As we have debated in the House concerning the Canadair issue, where the known amount of debt is \$1.4 billion, used in another way a contribution of this amount would have run the Canada Students Loans Program for three years. The \$1.4 billion would have implemented the Kirby Commission recommendations. It would have built seven Calgary Olympics or four new frigates.

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When one compares the management of this Crown Corporation under the direction of the Government, these funds could have been used for these other purposes in a more positive manner for the people of Canada than under the direction of the Government.

**Mr. Roberts:** Mr. Speaker, if the Hon. Member is right about the impact that the Conservative Convention is having