declining productivity. I suspect that the GNP figures to be released on Wednesday will show the worst performance for the Canadian economy in the past 20 years.

The hon. member for Kootenay West (Mr. Brisco) had some interesting things to say about DREE, and I suggest as a start that the government should scrap some of the political gimmickery of regional grants and subsidies and substitute some tax incentives and some new banking controls if it hopes to overcome regional economic disparity. We need tax incentives for investors as an alternative to some of these ad hoc grants, because incentives can vary between industries and regions of this country. An alternative to tax incentives might be for the federal government to vary its reserve deposit requirements of chartered banks according to the type of investments they make. We could use the tax system to help further our agricultural industry by allowing agricultural producers to build up a tax free kitty when years are good and draw it out when years are bad. This would create much needed savings in this country for the investment Canada must have.

Canada's image abroad is that of a country living beyond its means. For example, we are seen paying our workers in some industries more than their American counterparts, even though our productivity is lower. We are borrowing huge amounts to pay our trade bills to foreigners. We have embraced a financial way of life which is endangering Canada's high credit standing in the world's money centres. It is almost impossible now to interest foreign investors in most Canadian stocks.

In dealing with Canada the manager of the international division of Shell International Petroleum Company said the following:

> I have observed some things going on over there that are very reminiscent of what was happening in Britain a few years ago, and it makes me worry.

Some of his concerns are high inflation and the general intrusion of government into business policy making. Our Prime Minister (Mr. Trudeau) says he wants more government, not less, and now we have the complicated prices and incomes controls before us.

From New York we hear that Canada is on the threshold of finding it more difficult to borrow there. The effect of a thumbs down attitude toward Canadian borrowers could be dramatic, because if the foreign money well goes dry Canadian corporations and government will be stampeding for the pool of capital available in Canada, and ordinary Canadians will suffer as a result. There is no question that interest rates on house mortgages and car loans would climb even higher than they are today. Tax bills of all kinds would go up. Needed spending for new hydro projects, roads, hospitals and schools would have to be cut back.

Canada's earnings from exports of goods and services lagged far behind the cost of imports in 1975, to the tune of probably more than $5 billion. Our country's big foreign borrowings enabled it virtually to balance its international books. Nevertheless, Canada's recent borrowing success could be misleading. It was based on good will and a high credit rating built up in earlier years. We have had the benefit of the doubt, but our friends are becoming increasingly concerned. They recall that for a generation in Britain successive governments wrestled with the economic problems created by perpetual foreign trade deficits which inevitably produced heavy reliance on borrowing outside the country.

To encourage the massive inflow of—

Mr. Deputy Speaker: It is with regret that I now must interrupt the hon. member, but it is my duty to inform the House that, it being ten o'clock, pursuant to Standing Order 58 (11) proceedings on the motion have now expired.

[Mr. Hamilton (Swift Current-Maple Creek).]

● (2200)

PROCEEDINGS ON ADJOURNMENT MOTION

[*English*]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

AIRPORTS—INCREASED LANDING CHARGES FOR LIGHT AIRCRAFT—REQUEST FOR CLARIFICATION OF BASIS FOR INCREASE

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, on Friday last as recorded at page 11271 of *Hansard* the Minister of Transport (Mr. Lang) replied to a question I put relating to increases in the charges levied against flying clubs for the use of airports. I was not satisfied with the reply for reasons which I shall outline; hence my appearance on the late show this evening. I am glad to see that the parliamentary secretary to the minister is here to provide some answers to the questions I shall be raising.

My calculations are based on figures supplied to me by the Victoria Flying Club in my riding. They show increases in hourly rates of 533 per cent, that is, from 30 cents per hour to $1.90 per hour for flying training. By any ordinary calculation that is certainly over 500 per cent, yet the minister claimed:

> . . . the fee increase over all, if one does not isolate one particular aspect, represents an increase in the order of 5 per cent.

I find that not only difficult to accept, Mr. Speaker, I cannot accept it. How does the minister calculate an increase of 5 per cent when he has in front of him all the figures from 30 cents per hour to $1.90 per hour for flying? What does the minister mean by "the fee increase over all?" The fee charged on commercial usage? Fees charged for car rental stands? Parking fees charged at airports, and the new fees for flying training clubs? Are they all jumbled together? Does this all amount to 5 per cent? I doubt if you added them all together and put them on the basis of past charges that you would get 5 per cent. You would get something nearer 95 per cent. I should like to know where the 5 per cent comes from, and that is my first question.

Let me produce some figures—admittedly from one particular aspect of the trade, the flying training aspect which