

Economic Policy

I should like to say a final word with regard to the efforts of my colleague, the Minister of Labour (Mr. Munro), with regard to the Canada Labour Relations Council. He embarked on this endeavour of trying to bring together the two sides of the collective bargaining equation to attempt to reverse the trend which has existed in Canada of a great number of work days being lost in the last several years. There were close to 10 million work days lost in 1975 and a very serious record of work days lost in 1974. I think that anybody involved in these particular discussions would have to acknowledge that neither the working man himself, nor his family, nor those who live in his community and provide him with services, nor the industries for which he works, nor the economy of the country generally will benefit from a continuation in Canada of that kind of collective bargaining environment in which 10 million work days a year are lost. That is not only lost income to the individuals in question, it is a loss to the economy of the productive services of these many Canadians.

We are a well endowed country both in resources and in the talent of our people, but we cannot afford continuing to lose 10 million work days a year. This is too much for any economy to bear. Therefore measures have been taken by the minister of Labour to try to change the environment in which these discussions take place and try to change the structure of these discussions. This can only be for the benefit not just in the broader interest of Canada but of the working man himself, and it is for that reason, I hope, that we may again resume these discussions within the Canada Labour Relations Council.

Some hon. Members: Hear, hear!

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in rising to take part in this debate I must, first of all, comment on the remarks of the Minister of Finance (Mr. Macdonald). Basically I was disappointed by the hodge-podge of new and old statistics which he called to his use in defense of the mismanagement of the Canadian economy which we have witnessed in the past year and a half or two years.

I was surprised by his remarks, toward the end of his speech, regarding the collective bargaining process. Perhaps one could gather from these remarks that some time in the future we will be seeing substantial changes in the collective bargaining process in Canada. Were I a union leader or one deeply involved in the trade union movement, I would be very concerned and I would want to know a great deal more about the government's intentions in that regard because the action which the government takes can either lead to further disharmony within our labour force or, perhaps, bring about greater harmony. But certainly if this misunderstanding continues for very long it is apt to lead to a worsening situation rather than an improvement. If we lost 10 million labour days last year, we may well have more days lost in the months ahead, particularly if the impasse continues much longer.

The motion before the House deals with the contradictory economic policies of the government. The minister dealt lightly with that in attempting to embarrass the Conservative party. He asked how one could have low interest rates if there was a tight money policy. That has been the complaint on this side of the House. We have had high

[Mr. Macdonald (Rosedale).]

interest rates and a high rate of growth of the money supply, and we have not benefited. If we are going to have a high rate of growth of the money supply, then the country should benefit from low interest rates. But the government has chosen the deliberate policy of having high interest rates, not because of any curtailment of the money supply, and that is the error in the minister's remarks and in the contradictory figures which he used.

Mr. Saltsman: It is not an easy thing to do.

Mr. Horner: It is the deliberate policy of the Bank of Canada to have high interest rates. The hon. member from the NDP made a speech and you would think his party was the mother of planning. If you took the word "planning" out of his speech, not much would be left in it. I am not much of a capitalist but I believe that anyone who has tried hard to earn capital does a little planning about how to spend it.

I look at some of the failures in the government's planning—and here one does not have to look only at Canada, one can take a look at Great Britain where the master planner of all master planners threw his hands up in the air and said "I am quitting". He has left the scene of action completely. We could take a look at some of the socialist provinces in Canada to see how their planning has got them out of trouble, but I do not think that we in this House have to go that far.

We have a master planner in the Department of Transport. Formerly he was in charge of the Wheat Board and he brought in a planning program called operation LIFT, which cost the prairie farmers around \$600 million. That was his master planning. We have also seen master planning in CEMA to cut back production in Ontario to 62 per cent of capacity. I suppose that overproduction would be wasteful in the eyes of the minister. We have seen master planning in the dairy industry, and we have seen excessive build ups of wrong products. No, planning alone is not the answer.

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In order to control inflation we must recognize the fact that we must increase productivity, manage our money supply with a great deal of care, and cut back on wasteful government expenditures. The Minister of Finance talked about people in the Conservative Party wanting the government to cut back on government expenditures. We want the government to cut back on wasteful, unnecessary and excessive government expenditures.

Some hon. Members: Hear, hear!

Mr. Horner: That will not in any way greatly harm economic conditions within Canada, but it will lower the debt load, lower the demand upon the capital market by government, and allow private enterprise to use more of the money which should be available to it to do the things which will provide more and more jobs for Canadians. Last year our country had to bring in something like \$4 billion. This year it is estimated that government borrowings will cause an input of foreign capital into Canada at the rate of \$5 billion, and this has the tendency to keep our dollar above par with the United States. Many may think that is a good thing, but it is very detrimental to the