

Economic Policy

Mr. Paproski: I hope you will repeat the same thing in a couple of months.

Mr. Macdonald (Rosedale): The leader of the opposition is concerned about a survey, but it is not the labour force survey of Statistics Canada that has had him on his feet shouting; it is the Gallup poll which has made it clear that Canadians certainly do not see the leader of the opposition as the man for our time to deal with the crisis of national unity.

Mr. Hnatyshyn: What goes up must come down.

Mr. Paproski: We will try harder.

The Acting Speaker (Mr. Turner): The Minister of Finance (Mr. Macdonald) has the floor. I suggest we allow him to speak.

Mr. Paproski: Say something.

Mr. Macdonald (Rosedale): It is a standard pattern. Members on this side of the House have listened to the leader of the opposition without interruption and have given him a careful hearing. Hon. members opposite are now trying to shout me down. That is what we expect from them. I can indicate that perhaps we can judge how well the full thrust of the measure has gone home by the number of decibels being produced on the other side. The leader of the opposition put some emphasis, as well, on the centralizing policy of this government.

An hon. Member: What about Mirabel?

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): There go the decibels again. The big mouth over there is flapping again. The leader of the opposition has spoken about centralizing policies and has presumably espoused the process of decentralization. But at the same time he spoke about the government setting down as a goal a five-year plan for the attainment of an economic performance in this economy. May I point out that that is one of the obvious contradictions that ran throughout his statement. The interesting thing was that he would read the contradictions in his speech without even recognizing them.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): The leader of the opposition said that Canada cannot live for long on borrowed dollars. The fact of the matter is that in our economy over the period of the last 110 years Canada has been a substantial importer of capital, and our anticipation is that we will continue to borrow capital. One wonders whether the leader of the opposition is proposing, for example, a \$5 billion reduction in federal government expenditures. He was saying that if he had responsibility for the economy, he would do just that by moving out of deficit financing. One would have to ask which of the programs he would propose to cut—the transfer programs to individuals, the expenditures on capital works? Which of those programs would he reduce in order to take \$5 billion out of present government expenditures?

[Mr. Macdonald (Rosedale).]

Mr. Stevens: My leader did not say that.

Mr. Macdonald (Rosedale): What is interesting is that at one point the leader of the opposition said that the portion of the present government's expenditures which is related to operating services and the capital budget was too high and had to be cut down. Then what do we find? Several minutes later he said the federal government should be engaging in job-creating capital projects. This came from the same man who said several minutes before that the federal government should cut down that part of its budget. That is a part of the melange of confused suggestions. Probably he has a series of speech-writers, everyone contributing a page, and by process of accident he happened to get them all together in one document.

The leader of the opposition says the government should not borrow on foreign markets. The fact is that the government has not borrowed on foreign markets for many years, and the leader of the opposition should not mislead the House by making such a comment. It is the provinces and municipalities which have borrowed on foreign markets, and so have corporations. But there we get back to the centralizing question. Is the leader of the opposition suggesting that the government should restrict the access of other levels of government to foreign markets? It is an interesting suggestion which, I am sure, would fall in a very interesting way on the ears of the ten provincial treasurers who traditionally have sought foreign as well as Canadian sources for their financing.

Mr. Stevens: They were pushed out by you.

Mr. Paproski: When do we take over?

Mr. Macdonald (Rosedale): The leader of the opposition was perhaps less than candid with the House when he said that direct investment in Canada dropped in the year 1976. He knows, and Statistics Canada figures are available, that that particular figure was reduced in 1976 because of substantial repatriations by Canadians of foreign holdings in Canada, for example, the acquisition by Petro-Canada of the foreign holding in the Arco properties which has brought back for Canadians significant parts of our natural resources.

Some hon. Members: Hear, hear!

Mr. Macdonald (Rosedale): The leader of the opposition can oppose that repatriation if he wishes, but he should make his position clear to the House and to Canadians.

Mr. Paproski: The minister hasn't a suggestion of his own. All he does is refer to the leader of the opposition.

Mr. Macdonald (Rosedale): The leader of the opposition spoke about lack of planning in relation to decontrols. One has to wonder where he has been in this country. Indeed, he has asked me questions about the process of consultation and planning with regard to decontrol in which we have been engaged for the past two or three months, about meetings we have had with provincial governments, with the Canadian Labour Congress and with other labour movements, about meetings with leaders of business and with other organizations