

*Borrowing Authority*

**Mr. Huntington:** We need all those people just to interpret the Income Tax Act.

**Mr. Peterson:** Are we doing everything possible? I hear a lot of babbling from the other side, Mr. Speaker. It is obvious that Members over there feel that maybe they have not come forth with the concrete alternative which they know they owe to their constituents.

**Mr. Huntington:** You are the Government.

**Mr. Shields:** Get rid of the National Energy Program.

**The Acting Speaker (Mr. Corbin):** Order, please.

**Mr. Peterson:** Let me talk about the service sector and how we can be more productive. I believe Canada's reputation in the service sector—

**Mr. Huntington:** Is disgusting.

**Mr. Peterson:** The Hon. Member opposite says that the reputation of our service sector is disgusting. That is an insult.

**Mr. Huntington:** Our Armed Services are in terrible shape.

**Mr. Peterson:** That is an insult to our service industry. He has not worked in that sector. Could we not take these service sectors and parlay their reputation into making Canada a headquarters for the multinational corporations—

**An Hon. Member:** The only service you create is bigger government.

**Mr. Peterson:**—whereby they could bring in more foreign capital, service it here, add value and then serve as a base for funnelling it around the world. This would require some amendments to our tax system. We would have to look at our tax treaties and the way we should tax foreign income coming into Canada to be the conduit tax principle, and that flows out again. This is a way in which we could utilize to even greater advantage the skills and abilities of Canadian firms and institutions.

This does not mean I have total confidence in everything that all of these sectors are doing during these tough times.

**Mr. Shields:** What about the Government?

**Mr. Peterson:** We all have an obligation to ensure that Canadians who are working and striving to keep their businesses, their farms and their homes are given every benefit of the doubt during these tough times, so that when we emerge from this recession we will be able to meet the demands of the new technologies that will be necessary for Canadians to compete in the decades ahead.

None of us like this period. We are not proud of it but we are fighting to cope with it. When we emerge from this period we want these sectors, our home owners, our business people and our farmers, to have their capital intact so they can perform the functions required of them in this country. It is not this borrowing authority, it is the lack of any concrete alternatives put forward by the Opposition that I stand and condemn today.

• (1240)

**Mr. Rod Murphy (Churchill):** Mr. Speaker, I listened to the speech made by the Hon. Member for Willowdale (Mr. Peterson). He talked about the need for stronger Canadian input into the automobile industry and about control of or more direction in foreign ownership in this country. As I listened, I asked myself what he is doing on that side of the House. Has he forgotten that there has been a Liberal Government in Canada for the last 20 years? Has he forgotten that for most of the last half century it has been the Liberal Party which has been running the country, and running it into the ground? Our automobile industry, our forest industry and our oil and gas industry have been ruined. They have been ruined by a Liberal Government that has not taken control of the economy or provided the very leadership that that Liberal Member talked about.

**Mr. Shields:** Supported by the NDP.

**Mr. Murphy:** I would say to my strange friends to the right that I listened to their last speaker, the Hon. Member for Calgary West (Mr. Hawkes). Like so many Tories have done in the House, he whined and cried about the fact that in December of 1979 the Liberals and the NDP brought down the Government. The Social Credit Party, who were their allies in the House, would not vote with them. They forget that two months later the people of Canada voted against the Conservative Government which was under the leadership of the Prime Minister of the day. It is interesting to note that the Conservative Party is now throwing out the same leader that we and the people of Canada disposed of. I tell them not to blame us. They are finally realizing the situation and taking the same action themselves.

Our Party supports the amendment which would limit the Government's borrowing authority. I support the amendment for all the reasons that were given by our finance critic, the Hon. Member for Kamloops-Shuswap (Mr. Riis). I believe it would be criminal to give the Government \$14 billion in addition to the \$5 billion that it has already spent and is asking for in this legislation without first receiving any economic rationale or indication of how that money will be spent. Members of Parliament should not allow the Government to have that money without knowing whether it will be spent on jobs, pensioners, small business development or whether it will be used to hire more Government appointees, provide grants to the Liberals' friends, or for more advertising to promote the Government Party rather than Government programs. That \$14 billion should not be granted unless we know how it will be spent.

The Government's lack of economic planning is evident from its NEED Program. The Government announced that Program in its budget of last October. We have heard that Program defended by many Members on the Government side over the last six months. But let us see what has happened with that Program. In its October budget, the Government talked