

Taxation

the fruit of the free enterprise system which pays for medical programs, schools, the educational system and welfare. It makes transfer payments possible. The free enterprise system has always met the challenge imposed on it by free society.

It is significant that countries like Sweden, the United States and Canada have the highest degree of freedom in production, not state-directed production. We also have the highest consumption and highest standard of socialized consumption. The point I am making is that at this very crucial moment in our history when we are worried about money, high interest rates, inflation and whether or not we can continue to maintain our standard of living, we must realize that in each of those countries I have mentioned the free enterprise system I have described and the social programs are interdependent. They underwrite, support and make each other viable. Members of Parliament, the business community and social reformers must not sabotage each other.

As I have mentioned, any marriage usually survives through compromise. Each system which I have described has limits and cannot be expected to do more than it is capable of doing.

Today's limits on free enterprise are being set by society itself in terms of ethics and accountability while limits on social reform are being set by what we can afford. This is an important point. The hon. member for Parry Sound-Muskoka (Mr. Darling) suggested that we cut spending while at the same time spending more for a particular group of Canadians—women aged 60 to 65. The paradox is there and the limits to social reform are set to what we can afford. We cannot afford total justice or a totally clean environment at this moment, but we can afford to give everyone equality of opportunity, even if not equality of income.

The problems facing Canada during the challenge of the eighties are enormous. But they are stimulating and they make me envious of those young enough to participate in meeting those challenges in the future. We must replace outdated factories and worn out machinery. The capital needs in the 1980s will probably surpass \$1,000 billion. It is only natural for people to suggest that cutbacks take place in the interval in welfare, medicare, transfer payments or other programs which form part of the Canadian mosaic.

● (1640)

I simply want to say that I respect the free enterprise system. Its productivity comes from leaders with drive, from builders, creators, innovators and initiators. However, it also comes from willing workers who want the reward of sweat and skill. It comes from motivation, perks and penalties that structure behaviour. Free enterprise has been maturing for more than 200 years, whereas our social programs, for the most part, began in this century.

I therefore say that it is time for us to take off our blinkers because words which describe ideology no longer mean what they did. Corporations move toward monopoly in the name of individualism while individuals move toward democracy in the

name of collectivism. It is a time for social reformers in the New Democratic Party to drop their anti-business bias unless they want to see reform cut back. It is time for those of us who believe in free enterprise to stop seeing reform as a giant political pork barrel unless we want the new society to be a post-business society.

I am confident that the policies of the present Minister of Finance (Mr. MacEachen) are the right policies. It takes courage for a minister to remain basically dedicated to a policy which is not politically popular. It is obvious that it is a spin-off from the dramatic and adverse impact of high interest rates. However, the policy reflects the intertwining of our economy with that of the United States. Perhaps the lesson to be learned is that in future, over the next decade, we can develop a greater independence in our economic policies and in our approach to problems. However, as long as inflation remains the number one enemy in this country—and it does in the eyes of Canadians, if one reads today's Gallup polls—the Minister of Finance has little alternative but to ask all of us to practice voluntary restraint in order to avoid compulsory restraint. The future of this country is a great one and economic recovery will come sooner than most people expect.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, our beloved colleague from the Niagara Peninsula—

Mr. Mackasey: Lincoln.

Mr. Lambert: Lincoln?

Mr. Whelan: Abe Lincoln.

Mr. Lambert: Hardly. Neither he nor I can qualify in physical respects, shall we say, as Abe Lincoln. However, I had to smile a little during his peroration when he said we should follow the request of the Minister of Finance (Mr. MacEachen) by showing some restraint. In his last budget, the Minister of Finance provided for a 22 per cent increase in expenditures. Is that restraint? I invite our colleague, the hon. member for Lincoln (Mr. Mackasey), to read the speech given on February 16 by my colleague, the hon. member for Etobicoke Centre (Mr. Wilson)—

Mr. Mackasey: I read it.

Mr. Lambert: —there to put to rest the doubt which appeared on the face of the Minister of State for Finance (Mr. Bussières) concerning that increase. He said that the increase was perhaps only 16 per cent. It depends on whether one handles it on a national accounts or on a budgetary accounts basis. However, very definitely, the true increase is 22 per cent.

I consider Bill C-93 to be one of the most repulsive, dog's breakfast sort of bills we could ever see. This House ultimately refused to accept Bill C-94 even though the procedures were perhaps somewhat out of the ordinary. The point is, Bill C-94 no longer exists. It was divided into eight or nine bills, as it should have been in the first place. I object to this bill and I will vote against it, not because of its subject matter, but because of its form.