

need of having in Canada plants that would be big enough to be internationally competitive. Of course, it is a question of availability of raw materials at world prices and also the availability of adequate markets. Access is a decision that is in the hands of foreign governments, of the United States government in particular. We can ask and make suggestions, but we certainly cannot impose on foreign governments changes in their import policies in the area of petrochemicals.

But again the arrogance the hon. member for Edmonton West was talking about was not in the mind of the Minister of Finance and was not in my mind when he made the announcement to which I referred. Of course some people will say about this budget either that it is too much—I have not heard much of that today—or too little. The latter is the main line at the moment. It seems to me that all the measures taken together in the budget and in the tax reform proposals can create more purchasing power in the hands of Canadians and can create a better financial position for entrepreneurs, that they are getting the right “mix”, of financial policies.

However, again it is a question of judgment and a question of analyzing what could be the consequence of too much and what might be the consequence of too little. So the budget is an exercise in balance. I suggest the whole of politics is really an exercise in balance. So far as I am concerned as Minister of Industry, Trade and Commerce, I hope, and repeat, that this budget will restore the climate of confidence, notwithstanding what the hon. member for Waterloo (Mr. Saltsman) said on the subject. I was very pleased by what the president of Noranda said on television the other night. He said that, of course, everything was not perfect in the budget from his point of view, but that he was particularly pleased to see that the government had taken advice and had considered the views expressed by the different categories of people, business in particular, in coming to its conclusions. Well, a lot of people in industry were not quite sure that would be so. I would like them to realize they were wrong. I would like to convince them that in the future on the occasion of exercises like white papers, whatever colour they may be, they should take a more constructive approach to the matter, and should take less of a doubting-Thomas type of attitude to the whole process of participatory democracy.

At least the illustration has been made that this kind of exercise is profitable. I do not think we will ever have in Canada the sort of co-operation between industry and government that there is, for example, in Japan. There are some differences in culture which make this impossible in Canada. I suggest, however, that unless we develop a much better co-operation between government and industry in Canada, not only on the business side but also on the labour side, at the end of the day we will find this country will be one of the very few that has not gone a good distance in that direction and we will stand to be economically damaged for not having done so. So, I suggest that among the many positive effects of the tax reform, we have this one, which makes it easier for indus-

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try and government to work together more and more intimately and constructively. I suggest this needs to take place and so far as I am concerned I rejoice in the fact that we have now a much better co-operation between government and industry than ever existed in the past. Thank you, Mr. Speaker.

● (4:30 p.m.)

Mr. J. M. Forrester (Dartmouth-Halifax East): The minister who has just taken his seat has spoken well and truly about the hopes and aspirations of his department. It would be rather interesting to go through some of the schedules to the customs tariff and take a look at some of the things that have been done, but I will not take the time of the House to do that. Very obviously, I would imagine, whatever was done was done directly at the request of his department. The minister knows that this budget does not go far enough, and he has known that for a long time. The intent and purpose of the principal amendment to this motion is to say that, so it does not criticize what has been done. It states very simply and forthrightly that the budget fails to contain a sufficient level of tax reductions and other incentives to promote what is required in Canada, that is a dynamic expansion of our economy which right now is deeply troubled by the continuing and rising inflation and what seems to be an almost perpetual unacceptably high rate of unemployment.

I am a little disappointed that the minister, did not take the opportunity to tell us one or two things that I think we have to know, that the business community and Canadian taxpayers in general have to know, if we are to extend to the government the degree of confidence that they think we should on the basis of what is already in front of us. I have no fault to find with the budget so far as it has gone. I caution the government that they are under the illusion they have gone far enough. Indeed, that is what it is, an illusion. We all welcome the relief to the lower income families in Canada for whom it is very difficult to pay even \$5 or \$10 in income tax a year, but I suggest many of the people who have been stricken off the tax rolls are people who were not paying any tax in any event, such as working fathers with large families.

As the minister and the government know so well, some segments of the economy have been so depressed for extended periods of time that the principal breadwinners receive such meagre incomes from employment that they still appear on the welfare rolls of our cities. The budget does nothing to create an atmosphere in which our economy can expand, and through this expansionary process absorb the unacceptably high unemployment that remains with us. This is the country's number one problem, and it has been the number one problem for a long time.

The government confused inflation with other factors that were working in our economy. They should at least have had the fortitude to stand up and admit it. There is another more basic word that appeals to me. For example, there is nothing in this budget to indicate, to myself in any event,—and I admit that it will have to be looked