

Income Tax

Some hon. Members: Hear, hear!

Mr. Crosbie: So now we have some idea of what the Minister of Industry, Trade and Commerce thinks is the situation.

Mr. Stanfield: We "inappreciate" his remarks.

Mr. Crosbie: Our former leader, the respected hon. member for Halifax (Mr. Stanfield) says we "inappreciate" the minister's remarks. I cannot imagine another member in this House who has more to "inappreciate" about the minister than the hon. member for Halifax.

What is the minister doing in the field of industry, trade and commerce? He is going around the country making little sermons to people in various industries and telling them that our poor economic situation is their fault and that it has nothing to do with the government. I am sure some hon. members are thinking I should not be too harsh with and critical of the minister because he is not here to defend himself. I cannot help it if he is not here. He can read *Hansard*, and I hope he will reply to the points I make.

The minister gave a speech to the travel industry on October 26. The fact that there is a huge deficit on our tourism and trade account which is going to be an estimated \$2 billion this year—it was more in the first half of this year than it was in the whole of last year—is not the fault of the government, according to the minister. Whose fault is it? It is the fault of the tourist industry, those dirty slob! This is what the minister said about that industry:

In addition to high prices the Canadian tourist industry is also earning a reputation for being unfriendly, indifferent and sometimes prone to sharp practices in its contacts with travellers.

The minister said that if the tourist industry is going to be unfriendly, indifferent and prone to sharp practices, it will certainly suffer. I say that is an apt description of this government. This government is getting a reputation for being unfriendly, indifferent and sometimes prone to sharp practices in its contact with everyone. The minister went on to tell the tourist industry:

"Canadian, as well as foreign, visitors complain of rudeness, slack service of poor quality, quarters that could benefit from a little paint, not to mention soap and water."

After laying it on the line to the industry, Mr. Horner said—

I am quoting from the *Globe and Mail*.

—he had no specific answers to the problems other than a general and co-operative upgrading of the industry in which governments could help significantly.

Not the federal government, mind you. The minister gave a whole list of things, including the minimum wage, as reasons for the fact that we are losing our share of the tourism market. He said that the cost of travelling in Canada is too high. It is not the government's fault that that cost is too high, according to the minister. He says that it costs too much to travel here compared with the United States. He says hotel prices are too high, food prices are too high, gasoline at the pump is more

[Mr. Crosbie.]

expensive and that these problems are all the fault of somebody else, not the government.

He says air fares are too high and rail travel is expensive, inconvenient and uncomfortable. But really what is wrong in this whole situation is the fault of those "dirty slob" in the tourism and travel industry in Canada! The minister says they are to blame and that they had better pull up their socks or this fearless minister is going to see to it that they wash behind their ears. That is the hon. gentleman's solution to our huge imbalance and our huge deficit on the trade account. In 1976 the travel deficit was \$1.191 billion. Canadians spent more travelling outside Canada than tourists and travellers spent here.

In the first half of 1977 the deficit was \$1.245 billion, more than that for the whole 12 months previous, and the greatest in our history. The minister has another solution to the whole problem, and that is ABC charters. He must have the news from the CTC that it is not going to agree to this, so he is covering himself in advance. He says this is one of the great solutions: ABC charters available in Canada. It is not what the government does, it is what the government says is important to it, because after the minister went to the trouble of lambasting the travel and tourist industry of Canada, what happened? The Prime Minister set a tremendous example for all Canadians as to how we should spend our holidays and recreational periods. He went down to the sunny Bahamas for three days, snorkelling and skin-diving. That is a fine example to set for the rest of us.

The government is either serious that something has to be done about this fantastic deficit, or it is not. It is no good for the government to say we should not travel outside Canada, if the Prime Minister even on a casual weekend prefers to spend three days outside the country. How can we ask the people of Canada not to go south next year and to give it up for a couple of years to help us out, if the Prime Minister and the rest of the government pay no attention to the situation and do not set an example themselves? For the government it is a matter of "Do as we say, and not as we do".

What is the solution of the Minister of Industry, Trade and Commerce to our precarious trade situation and the fact that we are not competitive any longer in international trade? His solution is to devalue the Canadian dollar. He is positively ecstatic because the Canadian dollar is going down in value compared with the U.S. dollar. Every day it goes down a cent and the hon. gentleman becomes thrilled and elated. Am I making this up? No, I am not. In a speech in Winnipeg on November 9, the minister said:

The fall in the Canadian dollar has been useful, and I hope it stays around for a while.

He positively loves the decline of the dollar. It is down to 89 cents. He certainly does not want its value to go up. He becomes annoyed if the Canadian dollar shows any signs of becoming healthy or gaining any strength. He is going to fight a strong Canadian dollar to the death because he says that a devalued dollar is the answer to all our ills.