just a "slightly" disgraceful posture. I never knew, sir, that there were degrees of disgracefulness, but apparently there are when applied to one's friends. Then he goes on, and I repeat this for the edification of the minister, and also of the Prime Minister who has now taken the Minister of Finance unto his bosom:

> It is not surprising if governments and investors in other countries are confused and irritated and lack confidence in Canadian policies.

What better evidence can I call to support the stand that this opposition took; and when we took it we were criticized as holding up the business of parliament. The Canadian Institute of Chartered Accountants says this:

> They—

—meaning the policies of this government—

> —tend to undermine the confidence of foreign investors in Canada.

This is what the president of the Royal Bank of Canada says:

> Let us by all means encourage Canadian investment in Canadian industry, but the answer is certainly not to hamper foreign investment by discriminatory measures designed to force Canadian participation in existing enterprise. Surely the answer here is to encourage new Canadian investment by removing the handicaps which now beset the Canadian investor.

That was the stand taken by the government of which I had the honour to be head.

What would have happened without foreign investment in Toronto? In a recent article the *Globe and Mail* said this:

> If Mr. Gordon's policy of "Yankee-go-home" were put into effect, instead of 53 new industries in the Toronto area last year, there would have been only six.

This is what the president of the Royal Bank of Canada said:

> Discriminatory tax gimmicks are simply not the answer.

There is another source, Mr. Speaker, and I refer to the Winnipeg *Free Press*, to an article entitled "The Delphic Oracle"; and lest there be any rush among the ministers over there to have the title applied to them, it was applied to the government as a whole. On February 12 the Winnipeg *Free Press* said:

> So long as they obey Canadian laws, foreign investors have every right to buy securities, operate business concerns and make profits in Canada, generally to the benefit of the Canadian people—

What about Mr. J. T. Bryden, president of North American Life? He says:

> There is no doubt that greater ownership of Canadian business in Canada would be desirable... it can't or won't be corrected overnight, least of all by tax gimmicks or other measures which, although designed to speed repatriation, penalize the foreign investor.

The president of the Bank of Montreal says this:

> ...there is no doubt in my mind that policies which seek to discourage an inflow of development capital would seriously hamper our efforts to achieve the economic gains projected.

I could quote from others in this connection. One after the other they point out that the economic nostrums produced here last session and forced through parliament brought about a situation that will cause this government to have to retreat once more and follow the policies we advocated and advanced when we argued the case against them.

I am going to conclude by dealing very shortly with the subject of the 11 per cent tax. The Prime Minister used these words in Montreal on September 27, not with reference to this matter but they are very applicable:

> This is the kind of problem which makes political life and office in Canada so fascinating, so frustrating and so fatiguing.

I simply point out this fact, that the 11 per cent sales tax legislation was opposed by us, and we stood alone in voting against it. Others vocalized their objections but put their votes in cold storage or supported the government.

One of every 22 jobs in Canada is in the forest products industry, and 30 per cent of our foreign exchange is dependent on this industry. And what has happened? The cost of logging has gone up. There is a serious situation in all parts of our country in this regard. I think if I were able to hold a private Gallup poll, members in all parts of the house would agree with what they say privately but will not voice publicly, namely that this tax on building materials and production machinery should be removed.

The Minister of Finance smiles. That is the response he has generally given to such a request. That was the response he gave us when we opposed the tax; and those sitting opposite, phalanx after phalanx, lined up and voted for that which they knew or must have known was not appropriate. Revenue is necessary, but not revenue which results from taxes which apply the brakes to development and employment.

It has been said that a very considerable portion of the increase in construction costs over the last few months is made up of increases in the tax. There has been a chorus of condemnation—I know of nothing to equal it—against the economic blunder made by the government in this connection. I challenge the Prime Minister to produce evidence of one reputable newspaper or economist across Canada who agrees with this tax being imposed, and I give him the opportunity to answer. As far as the Minister of Finance