

That this government immediately create a full scale senior ministry for science and technology under a minister who can give this vital portfolio his undivided attention and the priority it deserves.

Madam Speaker: For presentation, this motion requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

● (1115)

ORAL QUESTION PERIOD

[English]

FINANCE

EFFECT OF HIGH INTEREST RATES—REPORT OF ECONOMIC COUNCIL OF CANADA

Hon. John C. Crosbie (St. John's West): Madam Speaker, my question is directed to the Minister of Finance. Since his budget was brought down on October 28, the Canadian dollar has declined in value by 2.07 cents to 83.15 cents, the lowest level since 1933. The Bank of Canada rate has gone up over 4 per cent to 16.14 per cent and the prime bank rate has gone up to 17 per cent. The inflation rate has had to be revised to 11.4 per cent for next year and the unemployment rate has been revised upwards by the Economic Council of Canada. Real wages will decline in both 1980 and 1981. It is the most disastrous budget since Herbert Hoover—a monumental flop.

My question is this. The minister said on Wednesday that he had decided not to launch any new programs or change any budgetary measures. Yesterday he said he had not yet decided—he started to weasel and qualify—and outside the House he said that he was looking again at the adverse impact on potential home owners, small businessmen and farmers.

In view of these statements, would the minister make an announcement on Monday—we cannot afford any more delay—on what his new policies will be to assist home owners, potential home owners, small businessmen and farmers? They cannot afford to wait any longer.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker, it is not my intention to make a statement on Monday.

Mr. Baker (Nepean-Carleton): That is the first definite statement you have made.

Mr. Crosbie: Madam Speaker, when the Prime Minister said on February 18 "Welcome to the eighties", did he mean to the 80-cent dollar? Is that what he was welcoming us to? I refer the minister to the Prime Minister's report, the report of the Economic Council of Canada, at page 33. They pointed out in their review last year there were two driving forces in the Canadian economy which could help us in the eighties, the U.S. and world outlook and high domestic energy

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investment. Now they say that only the latter remains, because the world outlook is poor, to move the Canadian economy forward in the period 1981-83. They also said in their pre-budget statement that all that was left was energy investment.

In view of the budget and the fact that the budget energy policy has caused cancellation and delay of the Alsands tar sands projects and the heavy oil project at Cold Lake, in view of the dispute with Newfoundland which prevents the development of east coast offshore oil and gas resources, and in view of the fact that there will not be any massive energy investment in the eighties if these disastrous policies continue, is the minister prepared to announce changes which will start these projects up again so that Canada can have some economic hope for salvation in the eighties?

Mr. MacEachen: Madam Speaker, I want to repeat the answer I gave yesterday to the hon. member, or at least to an hon. member in the opposition, that we have established in the National Energy Program a comprehensive framework, for energy development in Canada and that we have provided the basis upon which these energy projects can and will go ahead.

Mr. Crosbie: Madam Speaker, my supplementary is this. The Prime Minister, through his agency, has condemned the minister's budget, both in this report and in the report brought down since their annual report was tabled on Wednesday, condemned the energy policies and has shown what will be the effect of the budget. They say that they have had to revise their forecast and that there will only be growth of 0.5 per cent next year.

In view of all this and the minister's weaseling outside the House yesterday that he is considering changes to help small businesses, home owners and the like, would he tell us when we can expect an announcement from him as to some change in policy in order to give hope to Canadians as they approach the Christmas season?

Mr. MacEachen: Madam Speaker, first of all, I disagree totally with the hon. member when he says that the Economic Council of Canada denounced the budget. In fact, in the review which was prepared before the budget—and it is made quite clear in the introduction that it was prepared before the budget—there is considerable support for a very large number of the main elements in the budget statement itself.

Mr. Crosbie: Where?

Mr. MacEachen: In fact, the only major difference that I can find in the policy thrust of the Economic Council of Canada and that of the budget is that the Economic Council of Canada recommended a considerably higher price for energy in the next several years.

Mr. Crosbie: Read the supplement.

Mr. MacEachen: That is a clear difference, but in terms of macroeconomic policy and in terms of the posture of the budget, the Economic Council of Canada gives considerable support.