

The Budget—Mr. Allard

I would like to quote some questions submitted by Dr. John Kucharczyk, executive secretary of scientific policies of the Canadian Federation of Biological Societies, to my colleague the hon. member for Abitibi (Mr. Laprise):

[English]

Is the Canadian neglect of scientific research more serious in some sectors, i.e. universities, than in others? Is the neglect concentrated in particular areas, i.e. social sciences and natural sciences?

[Translation]

Mr. Speaker, we of the Social Credit Party of Canada say that the measures put forward in the budgets last year and this year do not meet the real needs of Canadians. These measures tend to favour research and development through tax deductions. This is effective for the government in office because it attracts favours and election funds from large companies. This explains the cuts which were made to the funds allocated to medical research at the university level. Given the shortsightedness of Liberal members, the government hastens to tell the people that funds earmarked for pure research done mainly in universities should be cut to increase the funds allocated to applied or industrial research.

Another question read as follows, and I quote:

● (2042)

[English]

Your party is on record as favouring an increase in R & D investment in the public and private sector from the current level of less than 1 per cent of the gross national product to 2.5 per cent of the GNP. What effect do you believe that an increase in Canadian R & D would have on the nation's economy?

[Translation]

We reply that the most obvious effect of research is the greater technological and consequently economic independence from neighbouring countries, especially the United States. Research is the only way to make our industries more competitive on the international market. Moreover, this will promote the hiring of more employees in research laboratories. From a medical point of view, it is a known fact that research improves the health of the population who can then have more productive activities.

Finally, only research and its effects can bring a final solution to the great problems of our times, such as unemployment, inflation, control over Canada's 200 mile zone and the protection of our environment. If the minister has understood what we have just said, he will agree that research and development can bring solutions to our economic problems, whether in the area of agriculture, of pulp and paper or elsewhere.

I would now like to say a few words about our debt. Another one of the false solutions proposed by the minister in his budget is the debt. We must wonder if the minister is aware of the definition of debt. The Larousse dictionary gives one and it is not necessary to be Minister of Finance to understand it. At page 313 of the Larousse dictionary, we find the following definition: Something owed, an obligation. Mr. Speaker, we

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have an obligation of more than \$11 billion. The debt for each Canadian worker amounts to \$10,600. Every newborn in Canada owes this amount from the date of his birth.

Last Thursday, during question period, there was reference to the sales tax quarrel between Quebec and Ottawa. My colleague from Bellechasse (Mr. Lambert) asked the Minister of Finance if he could use the Bank of Canada to create new credits to increase the money supply. The minister replied that he had looked into the social credit theories as early as 1963 and that he was convinced that he was right to oppose them. But, Mr. Speaker, if the Minister of Finance is really serious, he should start to learn social credit philosophy and he would find out that if foreign investors consider Canadian bonds as valuable guarantees for their loans to the Government of Canada, our own bank, the Bank of Canada, could accept the same guarantees from the same government.

When foreign investors lend money to this country, they know that the wealth and labour of Canadians are good guarantees to buy Canadian bonds. So why should those who have been elected by Canadians not take their own responsibilities? And instead of maintaining a debt system, let us have a credit system so that Canadians may get rid of this debt system and perform as a sovereign people. Those same guarantees accepted by foreigners should also be accepted by the Bank of Canada and thus it would be able to monetize the credit of Canadians.

Mr. Speaker, how can the minister understand our philosophy when he does not even know what a debt is? Since the minister does not understand the basis of the economy, how can he put forward a sound budget? Current issues which can destroy Canada are not explained by the nature of this country but by the way it is governed. So, Mr. Speaker, there is only one solution and that is to elect a Social Credit government at next election.

[English]

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, in the budget debate there are always a number of matters a person would like to refer to, given the latitude one is able to exercise in debate, but tonight I want to deal with the major fiscal proposal which appeared in the budget, in fact the only fiscal proposal of any significance, and this is the proposed reduction in provincial sales tax.

But to do that, Mr. Speaker, we must enter the world of Alice in Wonderland, where words mean what the federal government chooses them to mean; where a hasty round of telephone calls becomes full consultation; where a proposal which was mentioned briefly in October, revived suddenly at the end of March, and then firmed up after six provincial budgets came down, is said to have undergone extensive negotiation; a world where Claude Ryan becomes a separatist and Allan Blakeney a closet Tory. That is the Alice in Wonderland world which characterizes the government's tax cut proposal.