

The Budget—Mr. Philbrook

group which produced the so-called "Tier 2" report. This is one of the most exciting and important developments of our time. I hope it will produce concrete results that we can all support.

I spoke last week at a conference in this regard and found that the people there, our fellow Canadians, were tuned into the subject and looking forward to things happening. We have something very worthwhile on which to work in this regard and we will see more come from that in the next week or so, right here in Ottawa.

Finally, as I said, I think sometimes that a budget can be disappointing as a result of it being overrated. It may be important in itself but when thought of in terms of being a panacea for everything, including our economic concerns particularly, it may be disappointing because it is cast in the wrong role.

There is a great deal going on at the present time and a more general positive economic outlook developing. We have seen many positive economic statements regarding the near future made by people such as Mr. Earle McLaughlin, chairman of the Royal Bank of Canada, and Mr. Andrew Kniewasser of the Investment Dealers' Association of Canada. He spoke here in Ottawa recently, claiming that the 1980s will be the best decade in Canadian history. This was documented by John Bullock, the head of the small businesses group, CFIB. We have seen positive results from the new computer wonder, Trendicator of the Canadian Imperial Bank of Commerce, as well as from statements in the *Financial Times* to the effect that the 1980s will see a return to economic stability. I hope that is the case. There have been many other positive reports, such as the one in the *Globe and Mail* which said that a nationwide gain will be seen for domestic growth in 1979. We have seen all of these generally positive predictions for the near future in respect of the Canadian economy.

Certain writers, like Jack McArthur and Anthony Westell of the *Toronto Star*, and James Reston of the *New York Times*, have been pleading for people to look on the brighter side, and questioning the gloom and doom which has been with us for far too long.

There are other more specific signs of better days ahead. For example, after tax profits have been reported to be up by 31.9 per cent in the third quarter of this year; the August consumer price index was up only 0.1 per cent, the smallest rise since 1975; consumer buying and confidence is reported to be up, according to the Conference Board; there is no surge in wages in major contracts this year; higher production and employment is predicted for 1979 by the Conference Board; farm cash receipts jumped 14.3 per cent in the past year; and there is a general belief that the lower dollar means more jobs, and that it is working, in fact, in terms of increased trade, increased exports and increased industrial activity.

In terms of the important area of business expansion, there has been more investment, more expansion and more production. Recently we had the very good news that business spending in this country will probably double next year to a

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rate of increase of 16.2 per cent, and also that next year United States companies intend to increase their investment in Canada. We have heard the news that manufacturers expect production levels to increase in the fourth quarter. In addition to generally improved economic outlook and plans for expansion, there is this important area of trade which, as I just said, has been undoubtedly stimulated by our lower dollar, and the predictions in this regard also are good.

Our trade surplus may be as high as \$4 billion this year, up again, and apparently our trade performance for next year would indicate a bright picture. Again, in a general way, predictions for the 1980s indicate that our trading position will strengthen.

We have a reasonable budget here, and again I believe the minister deserves credit. The budget should be seen in perspective for what it is and what it cannot be. It should be seen against the background of a great deal of other economic events and activities which will make a very positive difference for this country.

In concluding may I say that I know everyone would wish the same as I do, namely that the federal-provincial economic conference coming up in the next week will be very successful and will provide another step forward, just as I believe this budget has. Thank you very much, Mr. Speaker.

The Acting Speaker (Mr. Turner): I recognize now the hon. member for Halifax-East Hants (Mr. Crosby) and I should like to remind hon. members that this is that hon. member's maiden speech.

Some hon. Members: Hear, hear!

Mr. Howard Crosby (Halifax-East Hants): Mr. Speaker, it is an honour and a privilege for me to participate in this budget debate and, with your indulgence, I shall make some remarks of a more general character relating to the economic state of the nation.

First, let me express to you the compliments and good wishes of the people of Halifax-East Hants, and may I ask that you express my greetings and best wishes to His Excellency, the Governor General, and his lady.

It is not difficult to bring to this assembly the views of my constituents on our economic problems. Time and time again during the recent by-election campaign the concern of the people for the financial and fiscal future of this country was brought forcefully and emphatically to my attention. Make no mistake about it, the state of the economy is the number one issue in Halifax-East Hants, and I suspect it is the number one issue in the great majority of constituencies across this country.

In rising to speak in this chamber, hon. members may be interested to know that I follow belatedly in the footsteps of my grandfather. He was elected to this House over 70 years ago along with Sir Robert Borden as a dual member for Halifax.

Before making some remarks on the subject of the economy and other aspects of the budget I should like to comment very