been for the sheer mismanagement and inept handling of the foreign exchange situation in Canada by this Minister of Finance.

In this regard let me refer to two specific things. When it was clearly understood that the bank rate should be raised one point, this government raised it half a point. As a result this had little effect and the government had to raise it an additional half point, without realizing that in the world of international finance an increase of two one half points within three weeks would undermine confidence as opposed to renewing the confidence of international financiers in the Canadian economy.

In addition, Mr. Speaker, the government went into the international market and borrowed $750 million to help prop up the dollar which the government said was floating. That was at a time when the government was told it should raise at least $1.5 billion to $2 billion. Having followed that half measure this government is now faced with the unique situation of having our dollar fall out of bed, and the government still has to go back to the trough for more money. The government has to go back to that trough now when even more of the confidence once held by those international financiers has been lost.

One of the clear examples of a half measure tonight is the government's approach to the provincial sales tax reduction. This is an example of a good idea. It was a good idea when Darcy McKeough first advanced it in Ontario, and the way he set the mechanism in place was good. He did it at a crucial time in respect of unemployment in Ontario.

What has this minister done? First of all, it has apparently taken him seven months to fiddle around trying to get his plan into position and apparently talk from time to time with the provinces, yet tonight we understand he still has not got it operational in the sense that all provinces have agreed to go along with it. We find it is a program that starts tonight and runs for about six months until October, just before the wintery months when unemployment will begin to soar again. What totally inept handling of the situation.

To go further, Mr. Speaker, what will the effect be? Hopefully it is going to stir up some demand. We have advocated that this approach should be taken, but to put this into a six month time frame ending next October or November will telescope orders into the summer period, and in all likelihood these orders will be filled by plants working over-time during summer months. When we need the orders to alleviate the unemployment situation next winter the money will be gone and the program will be over.

Clearly there was another motive behind the minister's timing tonight in respect of that provincial sales tax reduction and the six month limitation. That motive clearly indicates that, as far as this government is concerned, political expediency comes first and economic reality comes second. In short, one million unemployed Canadians are tonight being sacrificed on the altar of political expediency.

Let me touch briefly on some of the things I think should have been included in this budget tonight. First, we must accept the fact that consumers in Canada have lost confidence. They are no longer willing to purchase to the extent we would like in order to trigger a more buoyant economy. We on this side of the House believe it is a must that those consumers are triggered once again to continue buying as in other years, to ensure that our factories are producing once again and that Canadians are put back to work in factories as they should be. What is contained in this budget tonight will not ignite the Canadian consumer. His confidence must be restored.

Let us think of the infrastructure that is needed in this country. Think of what our fishermen need on the Atlantic and Pacific coasts in order to ensure that they can fish at least up to their allotments. Think of what the grain growers in the Canadian west need to facilitate the delivery of their product. Think of what we need in certain urban areas—Toronto, for example, which is starved for good urban transportation facilities. These infrastructures must be put in place.

I find it difficult to understand why this government should say it has no loan money available for this type of project, but that it has, through the Export Development Corporation, lots of money available to help build pulp and paper plants in Poland, to help Iran with its forestry industry, to give lines of credit to Cuba and to build, if you can imagine, Mr. Speaker, steel factories in New Jersey to help the United States with its unemployment situation there, even though unemployment is lower there than here at home.

Mr. Gillespie: Jobs for Canadians.

Mr. Stevens: Mr. Speaker, the Minister of Energy, Mines and Resources (Mr. Gillespie) in his usual fashion says "jobs for Canadians". Let me suggest to that minister that we should have jobs for Canadians building what Canadians need in Canada.

Some hon. Members: Hear, hear!

Mr. Stevens: The third thing this budget should have done tonight was trigger more productivity among Canadian workers in our plants. We will be enunciating a program to do that, and I sincerely hope it will be embraced by the majority of Canadians. Having witnessed the government's performance and realizing the impact of its ever increasing spending, is it any wonder that our dollar now trades at a 16 per cent discount compared to the US dollar? Is it any wonder that it costs us 60 per cent more to buy a Swiss franc than it did in October, 1975 when the government brought in its so called anti-inflation program? Is it any wonder that it costs us now 42 per cent more to buy the German mark and 51 per cent more to buy the Japanese yen, if we compare today's price with what it was when this Prime Minister brought in his anti-inflation program?

● (2112)

We were told we would have restraint with regard to the public service. When this Prime Minister took office the