

Economic Conditions

in the debate, the man is almost a phantom. The Prime Minister (Mr. Trudeau) of this land can go out to philosophize and make extemporaneous speeches before attentive audiences of party faithful. He can appear before the assemblies of the schools of the land. He can walk in with advance men and walk out with retreat men.

There have been debates on the constitution as well as constitutional questions. There has been confrontation on energy. Those matters have been mentioned tonight, but before the House adjourns for the Christmas recess, when the state of the economy was never in a poorer and more perilous way, I would think the Prime Minister might deign to come off his Olympian plateau. He has blinkers about the constitution and he has phobias about premiers. He should come down from the mountain and say what he thinks about the economy. He should give some direction or at least talk to the Minister of Finance.

We are facing a run on the dollar. Our reserves are published at the end of the month or at the end of a quarter. I think the publication of those reserves in support of the dollar will be horrendous. Perhaps the parliamentary secretary has the information. If he does, I hope he will tell us and perhaps participate in this debate. Not only interest rates will save the dollar. In time we will find out that there has been a fundamental play with our reserves to protect the dollar.

I was intrigued with the argument of the hon. member for Qu'Appelle-Moose Mountain. I would love to have the government poke holes in it, because obviously I do not yet know where the holes are. He talked about a 1 per cent increase in the dollar which affects the importation of \$50 billion worth of goods. It may be so simple that the parliamentary secretary can refer to it when he participates.

Mr. Evans: I did last night at 12.30.

Mr. Nowlan: I heard the parliamentary secretary but I do not think he debunked it. A 1 per cent increase affecting \$50 billion of imported goods is an interesting theory. In my layman's mind it is not the same as a 1 per cent interest rate increase, compared to the figure the member used last night.

I will read the speech of the parliamentary secretary again. I was privileged to sit at one time on the right hand of Mr. Speaker. I listened to the backbenchers last night and I commend the ones who had the guts to rise, and not really to defend the Minister of Finance. They talked about other matters, they talked about the economy. In effect they participated in the debate. I know how difficult it is for a member sitting as a backbencher to defend this question, because I sat as a backbencher last year. Sometimes backbenchers do not always agree with the minister of finance in certain matters. In that context I respect those who participated last night, but having tried this other monetary theory almost without qualification, I would like to have the choice to buy an imported product. If I cannot buy an imported tomato, for example, because of the high cost due, perhaps, to the level of the dollar, it would be my choice. I have no choice when I receive a slip from the bank which indicates that my interest rates have risen.

In the last three weeks I have received many letters and notices from my bank. I have not opened them all because they contain bad news. The interest rate has jumped repeatedly, and I have no choice in that regard, but I have a choice if I want to buy an imported product. If I buy an imported car, it is my own choice. If I want to buy an imported transistor television set or imported foodstuffs, it is my choice. I will make the choice. If I think it will cost too much money, I may defer it or put it off. I am not prepared to accept blindly what the economists have said. They have indicated that when the value of the dollar goes down, the cost of imported goods rises and inflation is higher. I have already told some members of my family not to buy imported tomatoes because they do not contain any vitamins at this time of the year, they cost too much, and they do not taste as good as Nova Scotia tomatoes at the height of the tomato season. That is when tomatoes should be eaten.

I should like to refer to an editorial which appeared in *The Globe and Mail*. It is not as simple as both governments being confronted by outside influences in the last year. The Conservative government came out with a budget which every responsible economist, editorial writer and businessman said—and most Liberals on the backbenches knew—was the first responsible budget to address long-standing problems.

Some hon. Members: Hear, hear!

Mr. Nowlan: There is no doubt about that. I became irritated with the Minister of Finance who comes from the same province as I. I got my dander up and my Irish saw a little flash when I listened to the minister's hollow, weak and almost dishonest response to such grave matters. He did not choose to stay around or even have another minister here to pay courtesy to all members who participated. This is not a general argument. On December 13, which is a horrible date to remember, an article entitled: "Not All Imported" appeared in *The Globe and Mail*. Others have said it in different ways. But the argument about pressure on the dollar is not the usual one. It has to do with whether there are incentives to invest in this country and should there be money left after the budget plans are in effect. In effect, that discriminates against investment and forces it offshore. Will there be pressure on the dollar when there is not development in the tar sands?

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Under this budget inflation is ever-increasing and it contains a Canadianization program which will involve more government expenditures. It includes the Foreign Investment Review Agency, which certainly causes concern in terms of investment planning. These and many more items are in the control of the government. Something could be done about the pressure on the dollar without getting into the charade of saying that you want to spend more. In effect that just perpetuates the whole problem by increasing the deficit.

So the problem we are facing, having the highest rate of interest this country has ever seen, compounded with the lowest value dollar since the depression, is not the usual