

The Budget—Mr. Riis

pattern. Bringing these regions together is a very, very difficult task and it cannot be done by just using the word "planning".

Mr. Riis: Mr. Speaker, if I may respond, I happen to know, as a result of my heritage, Sweden and Scandinavia very well. For the Hon. Member to stand in his place and call Sweden a homogeneous country obviously means that he has never been there. I suggest it would do him well to visit some of these countries which do have progressive economic policies in place and do plan for the future of their country and, more importantly, for their citizens.

Mr. Fisher: Mr. Speaker, I wonder if we could cut through some of the slogans and get down to some practical details. I would like to know how the Hon. Member intends to accomplish some of these lofty ideas. He said in Question Period, for example, that the Government should have reduced federal sales tax as a key device to create a consumer-led recovery. I believe that is a fair representation of what he said. He obviously cannot square that with his subsequent platitudes about being a nationalist because such a tax reduction, in the opinion of people like John Bulloch of the Canadian Federation of Independent Business, would stimulate people to buy foreign watches, foreign cameras, foreign appliances and foreign cars. How does the Hon. Member intend to prevent people from transferring our tax benefits to foreign manufacturers in the name of his beloved consumer-led recovery?

Mr. Riis: To begin with, Mr. Speaker, if the Hon. Member would listen carefully to what I have to say, I did emphasize that the regions of Canada were very important in any economic recovery program, as are the provincial Governments. If we are going to identify the federal sales tax reduction as a way to put money into the hands of consumers, we would ask our provincial colleagues across the country to participate in this program. We would ask them to identify the appropriate sectors and so on where this would more realistically apply.

● (1600)

Mr. Evans: Mr. Speaker, I have heard for the last several months now Hon. Members opposite, including the Leader of that Party, indicate what a great system the Swedish have and how the Japanese are making such progress. I have asked him this before and his Party has refused to answer. Are they prepared to follow the Swedish model, that is wage control and included inflation to ensure real wage losses to workers? That is how they keep unemployment down. In Japan workers take a low fixed wage and profit sharing, and when things get bad they are guaranteed a decline in real wages. They do not have large industrial unions in Japan, they have company unions. Now, are the Hon. Member's supporters, financial and otherwise, prepared to go along with that kind of a model of economic development? I doubt very much they are.

Mr. Riis: Mr. Speaker, I believe the response needs to take two tacks. One, no one would be as simplistic as the Hon. Member has indicated to suggest that whatever occurs in one single country can be applied in another cultural context. However, I say there are many lessons to be learned, and here

is one of them. The Hon. Member talks about wage controls, wage restrictions. One thing that Sweden has and this country has not, and is not likely to have in the immediate future, is a compact between labour, industry and Government where there is fairness in how programs are applied. The fact that virtually the entire Swedish labour force is organized makes it possible for organized labour to sit down with the social democratic Government and industry and together agree on recovery programs. But here this Government attempts to force wage controls and restrictions on a select group. It is that kind of economic arrogance which puts us in the difficult situation we find ourselves in. So when Members opposite stand up and call for co-operation, as the Minister of Finance has done in his budget, it is a hollow cry because they have betrayed not only ordinary Canadians but the trade union movement in this country so very, very often.

Mr. Dionne (Northumberland-Miramichi): Mr. Speaker, I would like to ask the hon. finance critic for the NDP a question. We heard a lot of pious platitudes from him but no specific concrete proposals.

Mr. Waddell: You did not listen.

Mr. Dionne (Northumberland-Miramichi): I wonder if he would accept the method Sweden has used on several occasions now, particularly when there are problems in the forestry industry, of buying up and stockpiling products from the mills and then dumping them below cost, or devaluing their currency which is, in effect, dumping below cost, and disrupting the entire world market for pulp and paper products.

Mr. Riis: I cannot believe what the Hon. Member is saying. I think what was attempting to levy as a criticism is that it has actually worked relatively successfully in Sweden. If that is the kind of criticism he is able to levy, he obviously does not understand what is going on in that particular country.

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Mr. Speaker, it gives me great pleasure to be able to speak on behalf of the Government in presenting to the Canadian public and this House the recovery program presented last night by the Minister of Finance (Mr. Lalonde). I am particularly pleased because it gives me the opportunity of listening to the contributions made by our friends in opposition and therefore of being able to digest their suggestions and recommendations and hopefully to incorporate them as part of our over-all assessment of what might be done to aid this economy at a critical time.

At least, Mr. Speaker, that was my intention. But I have to confess, having spent some considerable time listening carefully to the statements made by the leading financial critics and spokespeople for the Opposition, that I come away sadly disappointed at what they have been able thus far to offer. I am afraid that what I heard from the Conservative critic was "Wait until the next election and all will be solved". Those under-aged 14 year-old delegates they are electing will be able to choose an effective economic policy during their leadership convention. Somehow that will provide us with wisdom, direc-