

*Income Tax Act*

remarks, I wonder whether there might be unanimous consent to allow him to do that.

**Some hon. Members:** Agreed.

**Mr. St. Pierre:** On the same point of order, Mr. Speaker, may I point out that no less than six of the 130-odd members of the national press gallery are listening to the hon. member's speech. That is almost a record number.

**Mr. Deputy Speaker:** Order, please. I was about to ask if there was unanimous consent for the hon. member to continue. Is there such consent?

**Some hon. Members:** Agreed.

**Mr. Kierans:** Let me quote what Professor Gordon, professor of finance at the University of Toronto, has said:

—on its own, Canadian industry cannot provide an adequate response to the challenge of foreign competition. Strong and efficient competition is required in the area of taxation and beyond it as well. The alternative is a drift down the road toward a Venezuelan type economy—a large modern resource extraction industry that provides very little employment, a large unproductive government bureaucracy,—

Those are his words, not mine.

—an inefficient weak manufacturing sector, increased imports of manufactured products, and rising government expenditures to provide for the unemployed.

Tax policy, Mr. Speaker, should be restructured. It should be neutral, but it should nevertheless favour those sectors of the economy that will give us the most employment and the most growth.

**Mr. Benjamin:** Then it cannot be neutral.

**Mr. Kierans:** The relative productivities of the Canadian and American economies are not equal. When one finds that the Canadian dollar is equal to the American dollar, one says at the same time that our productive capacity and our climate is the same as theirs, our financial resources are the same as theirs and the size of our markets is the same as theirs. Yet when one gets into business he knows it costs more to build a plant here, with our heavy construction and heavy heating costs. All of this would argue that our productivity, while as good as theirs in the abstract, cannot measure theirs in the concrete. When policies suddenly result in two equivalent dollars, when neither the resources nor the productivities of two nations are the same, one must argue that such monetary policy is itself at fault.

• (10:00 p.m.)

One only has to look at the tightness of our monetary policy in the last decade to find that we have caused a great deal of our own problems. The higher interest rates have forced provinces to go to New York, borrow there, bring the money back here and increase our exchange rate. Also, our resource policy emphasizes the exports of those industries.

I thank Your Honour for your patience, and I thank my colleagues in the House. I am aware that some of my colleagues will disapprove and will be disappointed in what I have said. But let me look at it on the positive side. Ten years ago a group of men were named to draft for

[Mr. Mahoney.]

Canada a fair and just taxation policy that would emphasize growth, employment and stability in the economy. I do not think that task is over. All I want to do is remind the Canadian people and the Canadian government tonight that after ten years that task is not over. This task has to be begun again. I sincerely believe this government can put together all of the elements of an economic policy that will give us growth and employment. In any event, I certainly hope so.

**Some hon. Members:** Hear, hear!

[Translation]

**Mr. Gilbert Rondeau (Shefford):** Would the hon. member who has just resumed his seat allow me a question?

**Mr. Kierans:** Of course.

**Mr. Rondeau:** Would the hon. member tell us whether he will vote for or against the bill?

**Mr. Kierans:** We shall find out tomorrow when the question is put.

[English]

### PROCEEDINGS ON ADJOURNMENT MOTION

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

#### NATIONAL LIBRARY—INQUIRY AS TO APPOINTMENT OF ADVISORY BOARD

**Hon. W. G. Dinsdale (Brandon-Souris):** Mr. Speaker, last week I directed a question to the Secretary of State (Mr. Pelletier) regarding the appointment of a board that would support the work of the national library as provided for in the National Library Act. The National Library Act was approved by this House some two years ago. One of the very vital parts of the act was the provision of an advisory board, council, or whatever you like to call it, that would assist the national librarian and his staff in providing the most effective library service for Canadians everywhere.

When I posed the question, rather flippantly, the Secretary of State replied that the board was going to be appointed quite soon. That was the same answer he gave a year ago almost to the day. When the act was being considered by a parliamentary committee, the National Association of Librarians came before us expressing concern that they were not going to be too closely involved in the functioning of the new national library. Those Members of Parliament who were on the committee strongly sympathized with the viewpoint expressed by the library association, and in his appearance before the committee the Secretary of State expressed his desire to seek the advice of representative librarians in all the provinces of Canada. This is why I think the matter of appointing the board has become one of extreme urgency.

The establishment of a national library in this country was far too long delayed. It was not until 1962 that the Conservative administration of the day cleared the way