

*Supplementary Estimates (A)*

brought in an economic statement that does its best to frighten all investment in the private sector out of Canada by proposing a \$14.1 billion deficit and an \$11.7 billion financial requirement, which indicates the borrowing that is necessary for this year and which will have to come from public markets.

What the minister has indicated in his statement will compete with the private sector, force interest rates up, take away money that the private sector needs for investment and cut back on the expansion of manufacturing capacity. It scares the pants off investors to see a government that does not care about such a huge leap in the estimates and in the deficit.

Then the Minister of Finance says that the budget will recognize that all of these things, the creation of jobs and the easing of inflationary pressures, depend critically upon the continuing and growing strength of private investment. If that is what it all depends on, then why has the minister not brought in estimates that are \$3.5 billion less than the ones which the government is now asking for permission and authority to put through now, estimates which will never return to the House again except for a vote on the night of May 15?

The minister goes on to say in his statement at page 8:

Canada is certainly not in a position where it can afford to let its guard down against inflation.

The minister lets his guard down against inflation in the same speech by going to a \$14.1 billion deficit. Why did the minister make that statement when he is acting 100 per cent contrary to it? Not only did the United States of America overcome inflation, but they are cutting their budget deficit to zero. Here in Canada the government through the Minister of Finance said, as reported at page 245 of *Hansard*:

● (1700)

Canada is certainly not in a position where it could afford to let its guard down against inflation.

In the same speech he allows the deficit to go to \$14.1 billion, which in United States terms, whose population is ten times larger than ours, would be \$140 billion. He is not letting his guard down against inflation. He has no guard at all. Those are the estimates that we are being asked to shove off into the cubbyholes of the committee system of this House and then forget, or just bring them out for a blind vote on May 15 when the government will use its majority to romp them through without anybody else having a word to say in this House about them.

At page 247 of *Hansard* the minister stated:

—we cannot expect to insulate ourselves fully from that slowdown.

That is, insulate the Canadian economy from the slowdown in the United States. The Minister of Finance says that we in Canada cannot expect to insulate ourselves from the slowdown in the United States. He goes on to say:

This is especially the case given the substantial deficit which already exists on the current account of our balance of payments, and given the size of the federal government deficit which already exists.

Who caused these substantial deficits? It is the government which has been in power for the last 16 years. Who has created

the size of the federal government deficit? The government opposite. The minister himself proposed a \$14 billion deficit. The same night that he said we cannot insulate ourselves from the U.S. because of these deficits, he brought in an ever larger deficit.

To read the speech is to marvel that the words would even be put on paper. We cannot insulate ourselves from the U.S. because we have huge deficits in the balance of payments and current account. It was \$5 billion last year. Exports are forecast at \$7 billion this year. We have had a series of huge deficits in our own budget and that is going to be topped off this year by a \$14 billion deficit. The minister is going to make sure that we cannot insulate ourselves.

The effect of his statement to this House is that there is less power to insulate Canada from the United States economy and the U.S. downturn than ever. Yet we are asked to pass these estimates based on that kind of thinking. No, Mr. Speaker, not likely.

In the budget of December 11, dealing with the estimates of the Department of Employment and Immigration there was a funding provided of—

**The Acting Speaker (Mr. Blaker):** Order, please. I want to alert the hon. member that the question of relevance has been raised twice through other hon. members.

On the floor of the House at the moment is a motion put forward by the President of the Privy Council which, in effect, would amend Standing Order 58. I understand that the hon. member who now has the floor would have the widest possible range of subject matter because of the fact that it is a motion to amend Standing Order 58 related to supplementary estimates.

At the same time, however, I have to observe that there must be some rule of relevance available here. Otherwise, since our standing orders provide that there is no limit on the amount of time that the hon. member may take the floor, he could, in fact, as he indicated himself, continue for a week or two or three or four, and, in the manner in which he seems to approach the subject, he could range entirely through all government and parliamentary operations without let or limit whatsoever.

I think I have to draw to the attention of the hon. member that he might direct himself a little more toward the actual motion that is before the House at the moment.

**Mr. Baker (Nepean-Carleton):** Mr. Speaker, what we are being asked to deal with here is a process to take into account the fact that the normal processes for dealing with estimates is not available to us. I guess the normal way would be for there to be a motion of some kind which we could debate. We are being asked to have this taken away from us now and something else substituted therefor. I think, with respect, that in the circumstances it becomes relevant for us to examine those estimates in terms of the rights that are being taken away from us.