

The Budget

I urge this House and the people of Canada to wonder with the financial numbers that have been presented in this document, with the reality that we are in—recessionary times—whether this minister or this government has the credibility to take Canada on through the times that follow.

If we are in a recession, as I think the minister has told us that we are, I suggest that this budget is the wrong budget for these times.

Mr. James: Madam Speaker, I sat here with a great deal of interest listening to the hon. member speak. I know he put a lot of thought into his speech. He certainly made it fairly interesting in talking about the Minister of Finance having no new clothes and so on.

I guess the thing that he seemed to be working on a lot was worst case scenarios. We did not need to have a scenario in the late 1970s and early 1980s. We had the absolute real thing. I would assume he would remember that the government of the day, being of his political persuasion, took this country into a recession. We do know that. We all went through that.

I most especially went through it in business. I received a notice from the bank every week telling me about rising interest rates until they reached 22.5 per cent. That was real. That was under his government's stewardship. Certainly there was inflation along with it.

I think Canadians knew that also in 1984. That is why they turfed that government out. It was wanton spending. The deficit was certainly an issue, and the long term debt was an issue in 1984. That was real. Canadians saw it and decided that that government could not manage this country. It was into wanton spending. It was moving on into \$45 billion or \$50 billion a year. It was spending \$16 billion more on programs than in collecting revenues. Is that an example of stewardship in terms of Canadians' money? Sure it was.

The credibility of finance ministers in the past was noted by the member from Halifax who pointed out that these ministers referred not only to documents but they said that they were concerned about spending. What did they do? They just kept on spending, attempting to buy elections. That is what went on. Canadians decided that

that was enough, and that they were all through with that sort of thing. That government was defeated.

They will look upon this government as having the political will to say: "We have to hold inflation down. We have to cut spending". That is what we are going to do.

The minister said in his speech that the economy is in a period of slower growth. He said that. He put it in the documents and he is up front in saying that we are going to look at a slow growth situation in this coming year. I certainly do not remember the Liberal government of the day telling me and my company that I was going to be paying 22.5 per cent interest. That almost put my business down, as it did so many businesses at that point in time. Talk about credibility. Talk about being cynical. I will tell you we sure experienced that with the Liberal government of the day. Yet this member stands up and is so critical of this government when he should be reflecting on what his party did to this country.

Mr. Manley: Madam Speaker, the member raises very important issues. In my speech, saying that the emperor has no clothes, I did not mean to trivialize the importance of the problems that face Canada. The argument he has made we have heard many times from across the way, not just in the context of this budget debate but in other debates on monetary policy and so on.

There is something that confuses me about government members making those arguments. What it reminds me of is my children. They are very good children. I love them dearly, as everybody loves their children. But sometimes you have to discipline them. Now and then I have to tell my eight year old son to stop hitting his sister. Very often his response is: "Well, she hit me first". Exactly what I keep hearing from the government across the way is: "Well, you did it first".

These problems we face are very important. I have heard nothing in the comments from across the aisle which suggest that the medicine administered in the early 1980s was the wrong medicine. I am sure the hon. member would admit that there was a global recession at that time. It was a recession faced not only by Canada. It was not of Canadian making. It occurred globally. What I have heard him say is that we are administering the same medicine now. He says that it is okay now, but it was not then. That does not make much sense to me.