

as the main problem facing the world, did not see the Government as having the same priority. Some 45 per cent who were interviewed said that the Government's main priority was economic issues, only 22 per cent saw the Government as being concerned about poverty and hunger, and only 19 per cent saw it as being primarily interested in reducing the threat of war. The priorities of people do not correspond to the priorities of the Government.

In conclusion, I simply point out that being eleventh out of 21 OECD countries is not good enough for Canada. Other countries such as Denmark, France, the Netherlands, Sweden and Norway have all reached and surpassed the .7 per cent goal. These are countries that take good care of their people. Mediocrity in the face of 800 million people who go to bed hungry every night, if they have a bed, is not good enough for Canada. I urge all Members to give their support to this goal that has widespread support among Canadians. We should urge the Government to bring in legislation to establish .7 per cent of our GNP for development assistance, that that be done by legislation and not left to government whims.

• (1810)

[*Translation*]

**Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister for External Relations):** Mr. Speaker, I welcome this opportunity to take part in the debate this afternoon. I do not agree with the previous speaker that our party or our Government is a Government of followers, as he says. The Hon. Member was in New York two weeks ago when the Minister announced a number of important measures under the Africa 2000 program, and we are not only not a Government of followers, we have also shown this Government provides leadership.

It is true, Mr. Speaker, and the Hon. Member for the New Demagogic Party's main argument was that we had promised to meet that commitment, that all three parties in the House were unanimous, and the Decima Research polls had shown that Canadians were prepared to do their share and have the Government do its share for international development and international aid. That is absolutely true, but although we made that promise, we also promised to provide sound management.

Mr. Speaker, if there was a consensus in the House, there was also a consensus among almost all Canadians in 1984 that we needed a Government that was responsible and fair and serious about its responsibilities.

Furthermore, Mr. Speaker, the polls have shown—and I am very pleased because we are talking about a poll that was taken after the crisis in Ethiopia—that Canadians agreed with the Government's action. In fact, they not only agreed, but the Government had to run to keep up with all the initiatives launched by Canadians individually. That is how with less money we were able to do more. Let the Hon. Member wait his turn!

### *Official Development Aid*

**Mr. Benjamin:** You won't be let off the hook that easily.

**Mr. Hudon:** I hear barking on the other side of the House.

Mr. Speaker, the fact remains that in a democratic system we must have fair Government and we must have sound financial management.

Mr. Speaker, we are still committed, but as long as we do not have the requisite budget and budget items and as long as we cannot reconcile this with the budgetary measures to which we are committed, I cannot vote in favour of this proposal at this time.

Our commitment remains, and we will meet that commitment and let Canadians—in fact they did so for the famine in Ethiopia—take the lead and encourage them in a positive movement towards increased aid for the countries concerned.

We have two options. As far as the economy is concerned, we promised to restore the confidence of the people in our system, Mr. Speaker. Either we go on like that, or we ask Canadians to tighten their belts. Obviously, I intend to argue against the second option, which asks Canadians to tighten their belts, since that is the one they have chosen.

Had the first option been chosen, Mr. Speaker, what would have happened in a few years? If you examine the federal budget you can see that the last few years were highlighted by a drastic increase in public expenditures and a sharp rise in the budget deficit, which led to an immediate increase in interest rates and the inflation rate. If this trend continues, Mr. Speaker, it will be easy to tell Canadians: Not to worry about next year, the deficit will grow to \$60 billion, then to \$90 billion the year after. That is the easy way to administer the country. But what is going on, and why indeed can our country grow richer or become poorer? It is strictly a matter of confidence. The Canadian currency, the Canadian economy, it is just like any other market where supply and demand principles prevail.

When foreigners want to invest in Canada, what is their first question? Is this a serious country? Is this a country which has control over its economy? If the answer to those two questions is not affirmative, they go elsewhere. They want their investment to be profitable. Mr. Speaker, this is why certain countries are closed tight to foreign investments: people have lost confidence in the economy, the administration or the policy of those countries. So we could have opted for the first method and said: Let us spend our way out of this mess. In other words, a larger share of our revenues would have been earmarked for debt servicing. But, Mr. Speaker, the more we do that, the heavier the deficit grows, the more we have to tax Canadians. We decided to go for the second method.

We told the people: Let us tighten our belts. And when we ask people to tighten their belts, we expect the Government to do the same, and this applies to external aid as well. What this actually means, Mr. Speaker, is that we have to learn to do more with our limited financial resources. We have had examples of this, you referred to the Ethiopian crisis a moment