

**Mr. Crosbie:** Ah, here it is. He says that the unemployment rate is now expected to rise to an average of 8 per cent. I have campaign speeches here made by the Prime Minister. I can get them out and quote them, and I probably will as the week goes on. He says in those speeches that he cannot risk while Canada has one million unemployed. He cannot risk while Canada has one person unemployed. He was positively bubbling over with his enthusiasm during the campaign to fight unemployment, to get the unemployed back to work. Now he is ensconced in his comfortable government post again and the Canadian economy is healthy. It is positively healthy. Here is his Minister of Finance saying the unemployment rate is going to rise from an average of 7½ per cent to about 8 per cent. That is supposed to be healthy!

● (1600)

The volume of consumer spending is projected to increase 2 per cent. The cycle of investment expansion which began in 1979 is expected to continue through 1980 with a further increase of more than 7½ per cent in real terms.

That is if the Minister of Finance's mini-budget does not put a stop to that. That is the healthy economy that the Prime Minister was referring to. Then he says:

—rather it is necessary to reduce the deficit because interest charges on the deficit are so high because of high interest rates.

That is what he is supposed to have said at the press conference. According to *The Ottawa Journal*, Friday, April 22, and I quote:

Prime Minister Trudeau made it clear yesterday that a large federal deficit in itself does not worry him, but the debt charges the government must pay on the deficit do.

We have a Prime Minister that does not realize that without one you cannot have the other. He is not worried about the deficit, he is just worried about the debt charges. He does not have to worry about the debt charges if he keeps the deficit down, but if he allows the deficit to go up then he has more reason to worry about the debt charges.

Our Prime Minister does not realize that debt charges are connected to the deficit. This year it is going to go up \$14.1 billion, according to figures given to this House one week ago, and the debt charges this year are going up \$10.775 billion. As for the interest charges alone, one out of every four tax dollars paid by the Canadian taxpayer this year is going to pay interest of \$10.775 billion. That is the present estimate; it may be more. One out of every four of your tax dollars, Mr. Speaker, is going to go to pay interest. It would not be going to pay interest if there was not a deficit and if there had not been during the Prime Minister's tenure these ever-increasing deficits.

What have these deficits been? I am not going to go back to the start in 1968 when we had a net debt of \$16.76 billion. That has now quadrupled. At the end of 1979-80 it was something like \$67.7 billion. At the end of this year it will be something like \$81.8 billion. The net debt of the Government of Canada has quadrupled during the Prime Minister's tenure in office. Why has it quadrupled? Because the Prime Minister does not worry about a large federal deficit. He only worries about the interest charges, and he has not worried about them

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until very recently. From the time he took office we have quadrupled the national government's debt.

What were the debt charges back in those days of 1968? We paid \$1.27 billion in interest and debt charges. Today we are paying nine times as much. It has quadrupled. He has "ninetupled" these interest payments on the debt. Well might he be concerned now, Mr. Speaker. He lately comes to his concern about the debt charges, but they are "ninetupled" since he took office in 1968.

I will not go right back to 1968, but I will give some figures from 1972-73. In 1972-73, and that is only eight years ago, our deficit was \$968 million and our debt charges were \$2.27 billion. In 1973-74, encouraged by this reasonable deficit, we had a deficit of \$1.4 billion and the debt charges went to \$2.55 billion. In 1974-75 \$1,650 million was the deficit and the debt charges went to \$3.16 billion.

The Prime Minister must have been surprised. The Prime Minister must have said to his minister of finance, "What are you doing, what is going on here? Why are these debt charges going up? How dare you have these debt charges; don't you realize I don't like debt charges, they worry me?" Surely the minister of finance of the day must have said, "Prime Minister, I can't help these debt charges if you are going to have these deficits". Apparently he never did because it is only in the last week the Prime Minister has learned there is a connection.

In 1975-76 there was a deficit of \$5.3 billion and the debt charges went to \$3.91 billion. In 1976-77, the deficit was \$6.093 billion and the debt charges went to \$4.66 billion. In 1977-78 the deficit was \$10.098 billion and the debt charges \$5.47 billion. In 1978-79 the deficit was \$12.103 billion and the debt charges \$6.87 billion. In 1979-80 the deficit was \$11,450 million and the debt charges \$8,420 million. That is last year.

The Minister of Finance came into this House last Monday and calmly told the people of Canada the deficit is going up from the one projected by us; it is going to increase \$3.7 billion to \$14,165 million and the debt charges are going to be \$10,775 million. Why are the debt charges that high? Because of all these deficits.

When the Prime Minister says that the large federal deficit does not worry him but he worries about the debt charges, he has to realize, and I hope the Minister of Finance will have the courage to tell him, that there is a connection. If you do not like these debt charges, Mr. Speaker, you have to reduce the deficit. The Prime Minister still appears not to know.

**An hon. Member:** Read on.

**Mr. Crosbie:** There is an NDP'er croaking in the corner. That is all they are good for, swelling up and croaking in obscure corners of Canada. There is not one of them east of Ontario; The plague has been done away with. As long as we get no more fleas down our way, we are safe.