

1979-80, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mrs. Céline Hervieux-Payette (Mercier): Mr. Speaker, as a new member, and in view of the tremendous responsibility we have in this House to consider supplemental supply in the order of \$7 billion, some 7.5 per cent of the total Canadian supply, it is important in my view to consider seriously the situation before passing such legislation. At this point, after reading the legislation and of course without any other information than that provided by the Minister of Finance (Mr. Crosbie), I feel this legislation is in a way a blank check for this government.

Since it is my responsibility, Mr. Speaker, to give my constituents an account of this government's expenses and obviously, through Parliament, to take part in the discussion of those expenses, I would like to remind the House that we now reportedly have a \$12 billion or \$13 billion deficit, but with this government in power for six months, I cannot take without discussion that additional \$7 billion policy. I must say that this government has expressed its intention to give up some income sources like Loto Canada, Petro-Canada and other profit making corporations such as Canadair, and I wonder, Mr. Speaker, whether getting rid of those companies, which bring profits to this country, will help reduce our supplementary estimates. I wonder, Mr. Speaker, with unemployment being what it is today—and I am referring here to an article by Mr. John McCallum, published in the chartered accountants' magazine, which states that the unemployment problem is as serious today as it was in the 1930s.

Mr. Speaker, in the 1930s—of course, it will be obvious that my knowledge of those economically sad days is derived from what I read and heard from my parents—but I must say that, today, when we are asked to pass supplementary estimates of some \$7 billion, when government services are being cut right and left, when we are not told what those extra \$7 billion will be used for, I can only ask for more explanations, and though I am not on the Standing Committee on Finance, Trade and Economic Affairs I feel that I should, just the same, look into the matter very closely because my constituents are the ones who will foot the bill.

Mr. Speaker, the present government has had 16 years to reflect on the direction to be given our economy. Last year, the previous government managed efficiently and without drastic cuts in the public service to reduce expenditures by some \$2 billion. That, to my mind, is good management. In my past experience as chairman of a school board, I had to manage a \$30 million budget.

On the other hand, I think that the principles applying to a local government are exactly the same for the federal government, and it seems to me that, because the deficit is likely to be increased by their tergiversations about Petro-Canada and their promise to give Loto Canada back to the provinces, we

are taking wrong decisions which will only add to the difficulties and the recession in Canada. I wonder, Mr. Speaker, exactly what does the Minister of Finance intend to do. The private sector is supposed to co-operate closely with this government. What measure does this government propose to lower this \$7 billion figure, since it is a well known fact that a healthy economy would yield additional funds to the government and allow it to lower the deficit? According to the Toronto-Dominion Bank report, the most recent rises in interest rates and especially the payment of a bonus on Canada Savings Bonds will accelerate the debt service which will tower above the 19 per cent rise indicated in the budget. So as a concerned citizen and as the representative of a riding which is home to low income people, I think that it is my duty to remind this government that it is governing in the interest of all Canadians and that every dollar and every cent that is spent by the government must be spent for useful purposes.

I think that some cuts could be made if the present government, after six months of pondering over and analysing previous budgets, could some day direct its policy in keeping with its electoral promises. I still think that the former government made a praiseworthy effort and if the present government which succeeded the Liberals would analyse these programs one by one, it would then be in a position to see to what extent spending cuts could best be achieved.

I am referring, Mr. Speaker, to the new steps taken by this government to conduct public affairs. I do not know as of yet what is the positive impact of these changes but I must say that I do not see what benefits will be derived by voting an additional \$7 billion, or at least they do not transpire from the Minister of Finance's remarks. That is why, Mr. Speaker, I ask the Minister of Finance to reconsider the amount and to bring his policy in line with his election promises to restrict government spending to \$51.1 billion, since most optimistic economists are now predicting that this government will have to increase its expenditures by \$2 billion or \$3 billion.

Of course, I note also, Mr. Speaker, the increase in interest rate which was announced by the Bank of Canada, and I think that such a rate is definitely unfair to the taxpayers of Mercier. We must not let consumers foot the bill for an irresponsible government.

Mr. Deputy Speaker: Is it the pleasure of the House to adopt the said motion?

Mr. Lachance: Mr. Speaker—

Mr. Deputy Speaker: Order! The hon. member for Rosemont is on his feet, but another member was already standing behind him. So, I think I will recognize him. The hon. member for Comox-Powell River.