

The Budget—Mr. Crouse

increase in expenditures for the previous year of 22.7 per cent and which plunged the nation into a predicted deficit position of \$3 billion which ended up at something like \$5 billion.

● (1532)

At that time the present Minister of Finance (Mr. Chrétien) was president of the Treasury Board and he boldly applauded these moves. On Thursday, November 16, the present Minister of Finance prefaced his comments in his little paper, which I doubt will ever become a best seller, with these words:

I believe that this budget will make a significant contribution to the containment of our domestic costs in the post-control era. This will enable us to take full advantage of the improvement of our competitive position that we have achieved.

My budget measures will, of course, provide a more direct stimulus to growth. Investment will be stimulated by the enriched investment tax credit. Consumption will benefit from the increase in the real spending power of Canadians as a result of the income and sales tax cuts.

There is a similarity in the words. Having said this, the Minister of Finance went on to say at page 13:

Total financial requirements of the government in fiscal 1979-80, exclusive of foreign exchange transactions, are forecast at \$10,750 million. This would be down from the expected \$12,100 million this year.

If you read these figures quickly, Mr. Speaker, you would almost think that next year the country would only require \$10,750 million to look after the needs of our nation. You would ask, "Why not, it took a lot less than that to look after our needs only ten years ago." However, when we read the next paragraph we see the words:

Budgetary and non-budgetary outlays in 1979-80 are forecast at \$52.6 billion, an increase of 8.9 per cent which would be well below the expected growth of GNP. Budgetary revenues are forecast at \$38.1 billion with a further \$3.7 billion available from non-budgetary transactions.

Adding these two figures together amounts to \$41.8 billion, and if subtracted from the forecasted spending of \$52.6 billion, we arrive at a deficit of \$10.8 billion. The figures do not balance, and this simple example is indicative of the problem that the present administration faces.

The truth of the matter is, no one trusts this government, and their past record is valid reason for this mistrust. When you look at the words of the Hon. Walter Gordon, Edgar Benson, John Turner, Donald Macdonald and the present finance minister and compare their words with their performance, you readily see why Canadians no longer have any trust in a Liberal administration. For example, on page 7 of the minister's little booklet he states:

Budget proposals will cut income and sales taxes to increase the real spending power of Canadians, reduce pressures on prices and income demands, and stimulate investment.

What does the bottom line tell us? It tells us that actual expenditures, as listed by the President of the Treasury Board (Mr. Andras) in "How your tax dollars are spent for 1978-79", will be \$48,800 million. When that figure is subtracted from the finance minister's predicted \$52.6 billion, the over-all increase in taxation for next year is \$3,800 million, even if the estimated expenditures are achieved.

These are not Conservative figures, but the figures made available to Canadians by either the Minister of Finance or the

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President of the Treasury Board. However, when we quote those facts, supporters of this government say we are not telling it like it is. They accuse us of misleading the House and the country. I say that if these facts are incorrect, then "physician heal thyself" for these are the facts, the fiscal policy and the economic outlook for the Canadian economy based on this government's own figures. Nothing demonstrates more tragically the total over-all mismanagement of Canada's economy than what has occurred during the ten years under the present Prime Minister (Mr. Trudeau) and his colleagues.

Because we dared to repeat the figures which outline this government's record in "blunderland", the Prime Minister has attacked my leader and my party—and by so doing he is attacking me—charging that we are dividing Canada because we have publicly stated that we would be willing to negotiate provincial problems with provincial premiers. In his efforts to lay the blame for his abominable record everywhere but where it belongs he calls us the enemy. In my 22 years here, that is the first time anyone has ever accused me of being an enemy of Canada. I resent that allegation very deeply, as, I am sure, do my colleagues. He also accuses the premiers of the provinces of trying to weaken Canada. He is never specific, or will he make a charge, but everybody is against him, including the media. If only the fourth estate would praise his efforts, everything would be all right.

The Prime Minister claims that the country needs the Liberal party now because they are the only party to lead the country and provide it with a strong Canada and there is no alternative. When that nonsense hit the street, the average Canadian simply asked, "An alternative to what?" In the last ten years, almost without fail, annually we have had record high unemployment, record inflation, record debasement of the purchasing power of our currency and a flight of capital from this country. If there is no alternative to the present administration, this average Canadian says, "heaven help us". The Prime Minister seems to forget that in 1974, the then president of the Treasury Board, C. M. Drury, in his book, "How Your Tax Dollars are Spent" showed a total expenditure of \$9,872 million to look after the needs of 20 million Canadians.

In the last ten years our population has increased from 20 million to 23 million people. The predicted expenditures, however, have increased to \$52.6 billion. Even if the government stays within this estimate, which I doubt, we will be spending as a government more than \$1 billion a week. The finance minister predicts for this year a deficit of \$12.1 billion. This is a debt of more than \$1 billion a month which we must try to borrow at interest rates that are at a record post-war level.

Some will ask where the money was spent. Obviously some of it ended up in the construction of an airport for which nobody asked and which very few people use, namely Mirabel. It was constructed at a cost of \$482 million, at least \$100 million over budget. It was officially opened in October, 1975. It was supposed to handle six million passengers per year, with a potential for expansion to handle 50 million by the year 2025. It has turned out to be a colossal white elephant,