

the United States. My forecast was made on the prediction that there would be growth in the United States for 1979-80, but that it would be less than in previous years. Because of the OPEC increase in prices the United States is already in a recession.

In answer to those people who ask what is the difference between our economic policy and the Tories' economic policy, I would take as an example the statement made by the Minister of Finance the other day when he said that we were wrong in 1974 and 1975 in not letting the Canadian economy go into a recession. That is what he said.

● (1650)

That is the basic difference in our approach. We do not think it is necessary to let the Canadian economy go into a recession as the Americans have. We managed to prove that point in 1974 and 1975, and I hope that the Minister of Finance will keep that in mind. But at this point I have the impression that the government would be satisfied to see a recession in Canada. This, very often, has been their approach, and some would argue that it is the right policy. I see a smile on the face of one of the so-called red Tories, the Secretary of State (Mr. MacDonald). I know that there are problems within his party, but we Liberals do not think that Canada needs to be driven into a recession.

Of course, it is not easy to move at the right time, but since 1970 our government managed to run the economy in such a way that there was no recession.

Mr. Lambert (Edmonton West): You went into wage and price controls.

Mr. Chrétien: Yes, we knew that wage and price controls were necessary.

Mr. Lambert (Edmonton West): Inflation was so wild.

Mr. Chrétien: We got out of the controls at the right time. When we introduced the wage and price controls, the members on the opposition side were telling us that when we took the controls off there would be a huge bubble in inflation. That is why I, as Minister of Finance, decided to end the controls; I felt that after two and a quarter years the conditions were right for getting out. In fact, when we left the government this year inflation in Canada was still four or five points below the American inflation rate, in spite of the fact that we went out of controls the previous year.

Perhaps it was pure luck. I do not think that it was entirely good judgment, but it was the right timing. That is why at this moment the delays caused by the inability of this government to make up its mind about an oil and gas policy, due to the difficulty of arriving at a consensus among Mr. Davis, Mr. Lougheed and this government, will force my successor to be too late with his budget. Already the minister is late by three to five months because the circumstances are not the same due to the American recession.

Borrowing Authority

I hope that the minister will tell us when he intends to have a budget. It is very nice to make jokes, but the nation must know when he intends to tell us where we are. If there is an increase of \$500 million more in the deficit, it means that there are influences affecting the economy, and we want to know what they are. We want to know where the government will be making its cuts. We hear the statements by the minister, and the same day we hear statements by other ministers telling us that they are going to be giving so much to that program and so on. We would like to know where the cuts are.

My party has been very kind to the government since it took power. We were not one of the parties pressing for Parliament to come back in May or June. In retrospect they might have been well advised to do so, just as Margaret Thatcher did in England, but they were too confused by their election promises which are now coming back to haunt them. I do not want to bicker on that matter, but we faced the electorate too and my party came along with the policy that it was not to make any promises. Of course, we did not win the election and even had we made exactly the same promises, we still might not have won. The point is we have tried to be specific and honest with the public at that time.

I urge the Minister of Finance to find other occasions on which to make his jokes because it is time he told the nation where he stands in terms of the economy, where he stands on oil and gas pricing, what the deficit will be next year, what the level of inflation will be next year, what the forecasts for unemployment will be for the next year and so on. This is what the nation needs at this time, not the flip-flop statements which he made at the beginning of his speech today.

I do not believe that the minister should be saying that he will go to the cabinet committee when he feels like going. I do not plan to keep the minister in this House for seven weeks at a time on bills, as has happened to me. I know that this is unfair to the Minister of Finance, and we do not plan to do the same thing. I will try to be serious and to the point. It is not important that I score petty points and so on. It is important that the nation know where it stands, and I hope that the Minister of Finance will tell us what he is thinking and what he intends to do.

I hope that the minister will get the support of his party when he states that he is supporting the governor of the Bank of Canada. I hope that the minister will get the support of the Prime Minister when he requests a particular deputy minister and that one hour after he has expressed his confidence in that individual, that person will not be fired. That was a shame. The Minister of Finance deserves more than that, and I will support him in his efforts to do the best for our nation.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we are indeed witnessing a very strange debate. For years while the Liberals formed the government, the Conservatives opposed higher interest rates. The government of the day said that they were necessary and that it would create difficulties for the people of this country. Now we find the Liberals opposing the increases of the Conservative government, which had previous-