

*The Budget*

I suggest that in this document we have an admission by the Minister of Finance of Canada that this country is currently in a recession, and the braying hyenas that sat around him stood and cheered.

What else does he admit in this document? He admits that consumption is going to slow. He admits that personal disposable income will fall. He admits that personal savings will decline. He admits that long-term interest rates will rise. He admits that housing starts will decline. He admits that inflation measured by the Consumer Price Index is going to rise. Underlying his assumption of the rise from 4.7 per cent to 5.1 per cent, he states that this assumes: "The one-time increase in the price level following the introduction of the GST is unlikely to be translated into higher wages." Even though he assumes there will not be higher wages because of the GST, he states that the CPI will rise.

Had he read those numbers out, and they are in his documents, I am not making them up, I wonder whether his colleagues and his back-benchers would have stood and cheered. I wonder whether they have even noticed it.

Then we look in here at the labour market and what does he say? What is the projection? The projection is for an increase from 7.6 per cent to 8.5 per cent unemployment.

I submit that the numbers that the minister has given us indicate that we are in a recession. Would he stand in this House and admit it? The Emperor has no clothes.

What did he say back in 1984? The previous speaker from Nova Scotia was very proud of the new course that this government took the country on after 1984. I went back to that November 8, 1984 economic statement. When I read those numbers and those projections, it was surprising. It evidences a strategy which is at best cynical. First, he made the numbers look as bad as possible, then he projected a worst case scenario, and then predicted how he was going to do so much better than this worst case scenario.

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In other words, he said: "Look what would have happened to Canada if those Liberals had stayed in power". He depicted it. He gave the numbers in his 1984 statement. He said: "No, we have changed the course.

We have gone a different direction. Here is what we are going to achieve".

He made such a point of trying to make things look bad that he actually overspent his own short-term projection in the fiscal year 1984-1985. You can read the figures for yourself, Madam Speaker, but the actual 1984-1985 results which showed the \$38 billion annual deficit that government members love to cite, is actually \$3.5 billion more than the minister projected on November 8, 1984. Could it be that every last nickel he could find to spend on anything, he crammed into those few months. Or, is it that he just cannot predict the numbers? In five months, he found a way to overspend \$3.5 billion.

Now let us look at his worst case scenario, compared to his actual performance over the years since 1984. He said: "Oh, my goodness, if those Liberals had stayed in power, by the end of this decade federal spending would reach \$137 billion. Wouldn't that have been terrible?" In his budget document this week, they have managed to make \$143 billion the expenditure. He said: "If those guys on the other side had stayed in power, federal tax revenues would have reached \$100 billion". He has managed to get it up to \$120 billion. "The debt would have reached \$408 billion". He has managed to squeeze that one down, I admit, to \$380 billion. Interest on the debt was going to be \$34 billion in that worst case scenario. We read this week that it is going to be \$41 billion. Has he performed? My goodness, he has performed.

The emperor has no clothes. That was 1984. Four years of Tory government and we go into an election campaign. What does the Minister of Finance tell the people of Canada? He says: "Look at my new clothes. We have spending commitments. We do not have promises. Our promises cost nothing, because the money is all there. We will not touch social programs".

The Prime Minister of Canada says social programs for the elderly will be improved, not diminished. The Minister for International Trade tells the people that unemployment insurance will not be touched. The Liberals say: "look out people, they are going to cut social programs. They are going to cut regional development". The Minister of Finance stands up and says: "Those fellows are liars. They are just trying to scare the people. Look at my good clothes. I have a wonderful robe called regional development programs. Look at my new gloves.