

*Oral Questions*

Standing Order 43 concerning a matter of urgent and pressing necessity. It arises out of the provocative action on the part of the government in hastily extending diplomatic recognition to the Provisional Revolutionary Government of South Viet Nam, a move out of step with current attitudes in nations with which we conduct over 90 per cent of our trade, and coinciding with the news of the role played by North Viet Nam in the overthrow of the government of South Viet Nam—a truly reckless and unnecessary move in a period of mounting trade tensions and protectionist sentiments. I move, seconded by the hon. member for York-Simcoe (Mr. Stevens):

That the House request an immediate statement on motions setting out the motivation behind this unfortunate move and explaining whether the government plans to extend any assistance to this provisional government whose representatives come from Hanoi, not Saigon; and that there be full debate on this matter.

**Mr. Speaker:** The motion is proposed pursuant to Standing Order 43. It cannot be presented in the absence of unanimous consent. Is there such consent?

**Some hon. Members:** Agreed.

**Some hon. Members:** No.

● (1110)

## ORAL QUESTION PERIOD

[English]

### THE CANADIAN ECONOMY

#### MINISTER'S VIEW OF SPENDING INCREASES OF GOVERNMENT—POSSIBILITY OF REVISION

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, I have a question for the Minister of Finance who seems to have been behaving yesterday as just one of the boys. He is reported as having said this: "I am the first to say that if we are going to have any success in getting labour and business to agree to voluntary restraints, we have to set a better example in Ottawa". Is it the view of the minister that the spending increases for the 1975-76 fiscal year are excessive and inappropriate? If so, as a member of the government and not as a visitor to the Welland Chamber of Commerce, is the minister going to do something about it?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, obviously governments at all levels will have to participate in any program to moderate increases.

**Mr. Gillies:** Including the federal?

**Mr. Turner (Ottawa-Carleton):** Including the federal government. The federal government will have to exercise, in some respects an even tougher review of its spending priorities in the reconciliation of a good series of legitimate socially directed programs and legitimate infrastructure programs. These are good in themselves, but we have to orchestrate them within the ability of the economy to digest them.

[Mr. Johnston.]

**Mr. Stanfield:** A supplementary question, Mr. Speaker. I took it that the minister said that "we would have to set a better example". Therefore, I ask the minister whether under his interpretation, which I think is very favourable to him, he envisages a 15 per cent increase in expenditures this year as opposed to last year. That was worked out when he foresaw a growth of about 4 per cent in the economy. Now, he foresees no growth in the Canadian economy during the period in question. Is it his intention to revise his spending estimates accordingly?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, the hon. gentleman is correct in his analysis of the growth figures, but of course the spending estimates also depend on the forecasts of inflation which were set forth at the time, and how those spending estimates have been affected by inflation. The government has been affected in its own costs by inflation, as has every other sector of the economy.

**Mr. Stanfield:** A final supplementary, Mr. Speaker. I do not know whether the minister means to indicate that inflation is even worse than he anticipated when he presented his budget, but may I ask him whether, in order to save time for everybody and prevent a lot of confusion, in the case of future tours the minister will make it clear to the audience that he is addressing whether he is performing as a minister of the Crown or just as an interested outside observer of bloodshed around the cabinet table?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, I am performing as a minister of the Crown. If the hon. gentleman would like to go on tour and have this thing out in every chamber of commerce and union hall in the country, I would be glad to accompany him.

**Mr. Nowlan:** We were doing that a year ago.

#### INCREASE IN SPENDING ESTIMATES OF DEPARTMENT OF FINANCE AS EXAMPLE FOR BUSINESS AND LABOUR

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, I have a supplementary question for the Minister of Finance. In view of the minister's statement yesterday, referred to by my leader, that the federal government's lack of spending restraints has set a poor example for business and labour, would the minister indicate whether the two year 40 per cent rise in his own department's administration spending has, in particular, set a poor example for labour and business?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, those were not my words. My words were more closely identified with the question put by the Leader of the Opposition.

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### FOREIGN INVESTMENT REVIEW ACT

#### POSSIBILITY OF PROCLAMATION OF PART II OF ACT

**Mr. Sinclair Stevens (York-Simcoe):** A further supplementary question for the Minister of Finance. In view of the minister's statement that he would like to see more foreign investment in Canada, would he indicate whether,