

September 1984, when his predecessor took office, to about \$400 billion when this minister took charge.

The economy, though technically having come out of the recession in the second quarter of 1991, continues to be very weak as unemployment remains high, bankruptcies are occurring in record numbers, consumer confidence remains low, particularly in the industrial heartland of Ontario where the provincial NDP, trapped by their own discredited socialist dogma, compounds the ineptitude of a federal government with pigheaded stupidities such as soaring deficits and an anti-business legislative program which will clearly drive new investment and existing business out of the province.

So on to this battlefield, littered with the casualties of the Wilsonian era, strides our new minister relying, as he said in his speech: "on the counsel and support of the Prime Minister". This reliance makes it very difficult to share the minister's down to earth optimism, and I quote: "which he urges later in his speech".

As I look at last year's budget speech I was dismayed to be reminded that the former minister took us into this past year of dismal economic performance, plant closings and bankruptcies with these words: "We must not lose sight of the fact that a strong foundation exists for optimism." That the former minister was optimistic cannot be denied. This is what he promised: "We will hold the deficit to \$30.5 billion this year and next despite the pressures of the recession. In 1992-93 with recovery and lower interest rates, the deficit will fall below \$25 billion for the first time in a decade."

Instead of \$30.5 billion this year's deficit is now expected to come in at \$31.4 billion. For the coming year, instead of the \$24 billion predicted last year the deficit is expected to be \$27.5 billion.

What makes the former minister's predictions even more ridiculous is the fact that the government has been assisted in its deficit battle by lower than expected interest rates. Interest payments on the public debt are \$1.7 billion lower in 1991 and are expected to be \$3.8 billion lower than previously predicted in 1992-93.

Government Orders

In other words, the former Minister of Finance, the wizard of Etobicoke, Bay Street's answer to Jean Dixon, over-estimated his operating balance by \$2.6 billion for 1991-92 and \$7.25 billion for 1992-93.

I hope that the new minister's down to earth optimism is better founded in reality than that of his predecessor. The record of his government in making such projections is dismal at best. I go back to his predecessor's statements in 1984 when he said that if the current policies, the ones that he inherited from the previous government, continued that the debt by the end of the decade of the 1980s would be approaching \$400 billion. In fact, by 1990 he said it could approach \$410 billion. Here we are in 1992 and by the end of this current fiscal year, March 31, the debt should be at about \$419 billion. Again and again, over the course of his years as Minister of Finance, the previous minister talked about deficit reduction and controlling the debt. He talked about it in his November statement in 1984, just after the first election. He talked about it in the 1985 budget, his first budget presented as Minister of Finance.

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At that time, in that budget, he talked about and I quote: "a clear and realistic medium-term plan". In that 1985 budget with its clear and realistic medium-term plan he said that the budgetary deficit which had been anticipated for 1984-85 to be at \$36 billion would be reduced by 1990-91 by \$20 billion. In other words, he was projecting back then his clear and realistic plan of a budgetary deficit for the year ended last March of about \$16 billion. What did he accomplish? He accomplished a deficit in reality of \$30.5 billion.

In his 1986 budget the minister had adjusted his projections into the future that he had made previously in his realistic and medium-term plan. By 1986 he thought that by 1990-91 we would have a deficit of \$22 billion. Therefore, he was about \$6 billion closer as it turned out a year later. And on it goes.

By 1989, after the election, he was no longer offering clear and realistic plans. He was offering, and I quote: "an ambitious five-year fiscal plan". Perhaps, because his projections had been so bad in his realistic plan, he thought by calling it ambitious it would give him a little