

The Budget—Mr. MacLaren

In this way we believe that we are answering the need for Canadians to achieve greater security for their retirement years. We think that these policies will no doubt carry the broad support of Canadians. We are determined to bring them into place at an early date. We shall work with the provinces to ensure that all Canadians have meaningful pension plans in the time ahead.

The Budget before us has brought to Canadians a range of benefits, a range of initiatives and innovations which can only be of the greatest value to them as our economic recovery progresses and real growth is restored in our economy.

Mr. Blenkarn: Mr. Speaker, would the Minister confirm that transfers to Crown corporations this year have increased from \$3.767 billion to \$4.618 billion, an increase of 22 per cent? Did the Minister not realize that the increases to the CBC were as much as \$895.7 million; that EDC was getting \$287 million; that Petro-Canada was getting \$460 million, plus \$60 million more for drilling off the coast of Jamaica; that the post office was getting \$520 million, which was never provided before in budgetary figures; that Atomic Energy of Canada was getting \$331.4 million; that CMHC was getting \$1,345.1 million; that the National Capital Commission was getting \$105 million for its parks and parkway belts in the City of Ottawa; and that the Cape Breton Development Corporation was getting \$134.4 million? Will he advise the House that in his opinion none of these expenditures could be challenged or reviewed, that all these expenditures were perfectly proper and the kind of thing a Liberal Government would do and increase from time to time? It borrows money at a 10.4 per cent rate, which is significantly higher, indeed six-tenths of one per cent higher, than it was a year ago.

Mr. MacLaren: Mr. Speaker, the Hon. Member opposite has offered a whole shopping list of Crown corporations, some of which have had substantial increases in their operating budgets or their capital budgets. Others which he did not mention of course have not. Be that as it may, I hardly think it is for me to ask the Hon. Member what he is talking about. I must infer from what he says that he thinks that the Cape Breton Development Corporation is not a good idea. He must be telling us that he thinks the CMHC assistance for subsidized housing or lower cost housing in this country is not a good thing. Is he telling us that we should not make the investment in the Post Office to ensure that in the future we shall have better postal service in Canada? Does he wish to scrap Candu reactors and write off the investment Canadians have made in a high technology industry which is respected around the world? What is he telling us? Certainly we have had increases in the budgets of some of our Crown corporations. Those budgets are subject to review and analysis. We on this side of the House are satisfied that those budgets can play a major part in the expansion not only of the public sector activities which are assigned to them, but they can also be a vital catalyst in the further growth and expansion of the private sector.

● (1730)

The Hon. Member opposite questions the budget of the Export Development Corporation. Is he telling us that we should not be offering insurance guarantees and lower cost loans to purchasers abroad of Canadian goods and services? Does he wish us to withdraw from the international financial area? What is he talking about?

Mr. Schellenberger: Mr. Speaker, the Minister constantly gives the impression that there is nothing to be saved in these various Crown corporation budgets, that when they demand certain numbers of millions of dollars, that money can just be granted. In his speech he also gave the impression that there was no way to cut the expenditures of government that are leading to the \$31.5 billion deficit this year, well over \$25 billion last year and projected deficits in upcoming years of over \$20 billion for each of the next four years. Is the Minister concerned about that? Is he saying there is no restraint available for these huge deficits? Is he not concerned about the lack of borrowing ability in the private sector because the Government is such a huge borrower and because of the effect that that may have on interest rates?

Mr. MacLaren: Mr. Speaker, the Hon. Member opposite perhaps did not follow the comments I made earlier to the effect that we set forth in the April 1983 Budget a plan for the gradual reduction in the federal Government deficit, both in dollar terms and as a percentage of Gross National Product. The Hon. Member is right that over the time ahead we shall see deficits in Canada remaining at over \$20 billion. That amount as a percentage of our GNP, and indeed in absolute dollar terms, will diminish as our growth goes forward and the recovery is completed. Our deficit will be going down. One reason why we are committed to such a policy is that we do not wish to see the sort of crowding out that the Member has described. If you ask any of our financial institutions in Canada, brokerage houses or banks, there has been no crowding out. There has not been the demand in the private sector for massive borrowings which would be affected by the presence of the federal Government in the money marketplace. We believe that as recovery goes forward, and I refer the Member to the document with the April Budget, crowding out is a potential problem. That is one reason why we on this side are determined to bring down gradually the level of the federal deficit.

Mr. Orlikow: Mr. Speaker, the Minister began his speech, and I think I quote him correctly, by saying that we passed through a recession and we are now in a period of real growth. The fact is that we have 1.5 million unemployed. If one looks at the Budget papers and the projections of the Minister of Finance (Mr. Lalonde), he is projecting double-digit unemployment for the next number of years. How can the Minister argue that we have passed the recession when we have 1.5 million unemployed, when the projections of the Minister of Finance are that we will continue to have very large and unacceptable unemployment? Balance that against the fact that all the Government is proposing in the way of funds for