

*Oral Questions*

believe that, indeed, people have every right in this country to speak out and express a genuine point of view. I am surprised, and I am afraid that if the Conservative party takes over there will be less freedom of information and less freedom of speech.

**Some hon. Members:** Oh, oh!

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**PUBLIC WORKS**

## EXPROPRIATION OF "LE DIPLOMATE"

**Mr. Elmer M. MacKay (Central Nova):** Mr. Speaker, I have a question for the Minister of Public Works. I would ask the hon. gentleman whether he can explain to the House why he signed a notice of intention to expropriate, without a public hearing, in respect of a property called Le Diplomate adjacent to Les Terrasses de la Chaudière? The House will remember this was the same property that was the subject of correspondence between the developer and Mr. Juneau in which the developer suggested court action would be appropriate, although he did not wish to be involved in it.

**Hon. Judd Buchanan (Minister of Public Works and Minister of State for Science and Technology):** Mr. Speaker, there is, in fact, a court action under way. My understanding is that there is a very genuine question as to whether a leasehold interest exists. The building that was under lease was, in fact, to a very large degree destroyed by fire a year and a half ago. There have been ongoing negotiations with the former lessor and apparently there were some complications. It was indicated to me that the most prudent way to deal with the case, if an interest did exist, was in fact to handle it through this expropriation procedure.

**Some hon. Members:** Oh, oh!

**Mr. MacKay:** Mr. Speaker, I am surprised that the minister would not think that a court of law would be the appropriate way to determine whether or not there was an interest. If there is no interest there to expropriate, perhaps the reason for holding out the expropriation procedure, particularly without public hearing, could just possibly be interpreted in the minister's mind—and perhaps he can put this to rest—as a device to help stop the probability of certain of his colleagues and himself appearing in a court of law to testify about the background of this whole affair.

I would ask him, as well, why there appears to be concern in respect of Le Diplomate when two other properties cheek by jowl do not appear to be the subject of the same concern.

**Mr. Buchanan:** The answer to the first part of the question, Mr. Speaker, is absolutely not; and the answer to the second part is, this is the only one, in my understanding, that was involved in this fire situation.

[Mr. Ouellet.]

**THE CANADIAN ECONOMY**

## CASH REQUIREMENTS FOR 1978 AND 1979

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is for the Prime Minister, and it arises from certain comments he made at his press conference yesterday. The transcript of that press conference indicates that he said:

The cash requirements will be of 9 billion this year, 11 billion next year, probably a bit more the year after—

As the Prime Minister probably realizes, the Minister of Finance last informed us that the cash requirements for Canada this year will be \$11.8 billion, and \$9.7 billion next year. Would the Prime Minister clarify whether he has new information in respect of cash requirements of the nation, or did he make a mistake yesterday?

**Right Hon. P. E. Trudeau (Prime Minister):** As I said in relation to comments by other ministers, Mr. Speaker, the finance minister is right.

**Mr. Stevens:** Mr. Speaker, let me ask a further question arising out of the Prime Minister's remarks yesterday. The Prime Minister stated, in respect of the deficit:

—it is not the size that is frightening. It is the rate of growth in the past two or three years and that is what we are trying to control, not the absolute size of the deficit but the fact that provincial, municipal and federal deficits in the past two years were growing at a very fast rate . . . about 15 per cent—

Would the Prime Minister indicate whether he is aware that in the years he has referred to it was the federal deficit that almost tripled, from approximately \$4 billion to something like \$11 billion at the present time, while the aggregate municipal-provincial deficits actually declined? If he is aware of that, why is he trying to finger the provinces and the municipalities when his government is responsible for such a rising deficit in the country?

**Mr. Trudeau:** Mr. Speaker, if the hon. member refers to the question as well as to the answer, he will see the context in which that explanation was put forward; to wit, that the size of the deficit in Canada—the over-all deficit at all levels of government—is not out of hand and not out of comparison with other countries which have higher debt proportionately.

**Some hon. Members:** Oh, oh!

**Mr. Trudeau:** I hear some "tsk, tsk" over there. If they read the press conference, they will see that, Mr. Speaker. It was the questioner himself who put these correct facts forward. The thrust of my answer—and that is why I said the minister's figure was correct—was that it is not the size of the deficit which is big, which is not untowardly big, but it is the rate of growth which was too fast.

As a result of the figures which the minister and the President of the Treasury Board put forward, the hon. member will see that the rate of growth has been reduced from something in the area of \$11 billion this year to something in the area of \$9.7 billion next year. It is the rate of growth we are acting upon, and not on the absolute size of the deficit