

Presence in Gallery

● (1130)

Mr. Young: Madam Speaker, I would like to advise the Minister of Energy that I am here, and have been here.

Some hon. Members: Oh, oh!

An hon. Member: It is hard to see you; that is all.

TRANSFER PAYMENTS TO PROVINCES

Mr. Neil Young (Beaches): Madam Speaker, my supplementary is directed to the same minister. I fail to understand how the government can make these kinds of statements, that medicare will not be affected by the reduction in transfer payments of some \$5.7 billion over the next five years. When will the cabinet come clean and stop trying to do a snow job on the Canadian people as far as medicare is concerned? Tell the truth for once; there will be a reduction in transfer payments, it will seriously affect medicare, and in fact the Ontario government has stated that the plan will reduce hospital beds under medicare over the next two or three-year period?

Hon. Marc Lalonde (Minister of Energy, Mines and Resources): Madam Speaker, I am very happy to see that the hon. member for Beaches is here. I should have said that the hon. member for Vancouver-Kingsway was not there.

Some hon. Members: Oh, oh!

Mr. Lalonde: My hon. friend is completely wrong in his statement that transfers for medicare are going to decline. I invite him to look at the figures which are public and there for anyone who wants to read them. They are to the effect that payments by the federal government to the provinces for medicare over the next five years are going to increase significantly year by year. I invite my hon. friend to take the trouble to look at the figures, and he will realize that indeed the federal contribution to medicare will continue to increase significantly over the next five years.

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HOUSE OF COMMONS

PRESENCE IN GALLERY OF ENERGY MINISTER OF NEW ZEALAND

Madam Speaker: I have the honour of bringing to the attention of the House the distinguished presence in our gallery of the Hon. William Birch, the Energy Minister of New Zealand.

Some hon. Members: Hear, hear!

THE ECONOMY

STATISTICAL DATA—QUERY RESPECTING INTRODUCTION OF NEW BUDGET

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, I delayed putting my question because I had expected the Minister of Finance to be in the House. Possibly I can put my question to the Minister of Energy, who is rumoured to be the Minister of Finance shortly.

Mr. Smith: A lot sooner than you will be, Mike.

Mr. Wilson: The economic plan of the Minister of Finance is now in total shambles. That came out this morning in the briefing documents for the Versailles Summit which show that growth in the national income, anticipated to be 2.2 per cent, is now minus .5 per cent. The budget estimated unemployment at 7.8 per cent, it is now estimated at 9.2 per cent for the year and, as the minister knows, it is now in fact 9.6 per cent. That means there are now 200,000 more unemployed than were estimated at the time of the budget.

Since the minister's economic plan has proven to be totally out of touch with reality, and since so many of the members of cabinet and caucus are pushing the minister for a new economic plan and budget, would the Minister of Energy state whether it is the intention of the government to have a new economic plan and budget shortly following the Versailles Summit?

[Translation]

Hon. Pierre Bussières (Minister of State (Finance)): Madam Speaker, the figures referred to by the hon. member, which were published yesterday in a briefing document for the Versailles Summit, did not originate from the Department of Finance but were taken from a study prepared by the International Monetary Fund. Since the hon. member is accustomed to seeing various organizations prepare forecasts and publish figures, he should know the relative value of such statistics. I should like to remind the hon. member that the best way to bring down interest rates and unemployment is, as the Prime Minister indicated yesterday in his press conference, to restore a climate of confidence, and in order to do so, we must get rid of the uncertainty created by high levels of inflation. I would invite the hon. member to support the efforts being made by the present government to reduce the inflationary pressures and expectations which are causing this uncertainty.

[English]

GOVERNMENT POLICY

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, surely the minister must understand that because we have not had any budget legislation for six months people do not know what they are dealing with. Surely he understands the fact that the economic plan has proven to be totally out of touch with reality, that it is doing more to undermine the confidence in