

*Oral Questions*

segment of our economy. On the basis of that fact, I feel confident that we can come to some sort of understanding.

**Mr. Stanfield:** Mr. Speaker, these facts were, of course, apparent to everybody about a year ago, and the minister has been fooling around with these talks in a great shroud of secrecy for some five months. In view of the minister's statement that he found that everyone was strongly expressing the need for leadership by the federal government, and I understand this was his expression although I was not present and did not see any TV clip, I should like to know whether the minister was able to say these things to the first ministers with a straight face?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, although the conference had its lighter moments that was not one of them. The premiers all feel that the situation is very serious, and they were interested in my proposition. I was encouraged by their response and we have their undertaking to co-operate in an effort to bring this consensus to fruition by the end of May.

• (1110)

INFLATION—INCREASE IN MONEY SUPPLY BY BANK OF CANADA AS AN EXAMPLE OF RESTRAINT

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is for the Minister of Finance. In view of the minister's statement once again yesterday about the consequences of unchecked inflation and his recommendation that a program of restraint be adopted, would the minister indicate in what way it is an example of restraint for the Bank of Canada, which is responsible to the minister, to have increased the money supply since December at an amortized rate of 33 per cent, an increase which is perhaps the greatest three-month jump in Canadian history?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, the hon. gentleman likes to look at these figures on a monthly basis and draw conclusions from the money supply. Last year in terms of the narrowly defined money supply expanded well under the rate of growth of the economy. The Governor of the bank stated in his annual report that the money supply will expand sufficiently to allow some expansion in the economy, particularly in the current cycle, but not so quickly as to provoke inflationary thrusts 12 to 18 months from now. I think the hon. gentleman would be fairer to the statistics if he would look at them over a longer trend.

**Mr. Speaker:** A final supplementary by the hon. member for York-Simcoe.

**Mr. Stevens:** Mr. Speaker, this question again is addressed to the Minister of Finance in view of his answer. Would the minister simply indicate whether he disputes the figures of the Bank of Canada which indicate that the currency and demand deposits have increased by over \$1.2 billion, from \$14.8 billion to \$16 billion between December 1974 and March 1975?

**Mr. Turner (Ottawa-Carleton):** If those are the figures published by the bank I do not dispute them, Mr. Speaker.

[Mr. Turner (Ottawa-Carleton).]

REQUEST FOR EARLIER DATE THAN MAY FOR BUDGET

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, now that the minister has tended to agree with what has been forecast by other economists and groups for several months that the real growth in the country will be virtually zero in this year, would the minister not speed up the introduction of his May budget beyond the time reference he has already indicated?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, the hon. gentleman, of course, is now becoming inconsistent again. He wants stimulus and about 30 seconds ago he wanted some restraint on the growth of the money supply.

**Some hon. Members:** Hear, hear!

**Mr. Turner (Ottawa-Carleton):** I ought to recall to the House that the motion which the hon. gentleman brought forward about six weeks ago calling for tax reductions did not have as its purpose stimulus but controlling expenditures, so that although he may retroactively—

**Mr. Baker (Grenville-Carleton):** Government expenditures.

**Mr. Turner (Ottawa-Carleton):** Government expenditures. But what I am saying to the hon. gentleman from Grenville-Carleton is that the burden of his party's motion was not to stimulate the economy at that time but was to control government expenditures. I am not arguing the philosophy; I am just saying it is a little late in the day for the hon. gentleman to get on the bandwagon.

**Some hon. Members:** Hear, hear!

INFLATION—GOVERNMENT MEASURES TO PROVIDE JOBS IN THE IMMEDIATE FUTURE

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my question is for the Minister of Finance. In view of the minister's admission yesterday that the economy is not performing as well as he had anticipated, and in view of the fact that he concentrated on inflation during the statements he made at the conference, I should like to ask the minister whether he can say now what specific proposals he has to get the economy rolling and provide jobs now for the average Canadian?

**Hon. John N. Turner (Minister of Finance):** I said to the hon. member's parliamentary leader a few days ago that he ought not overlook the stimulus already injected into the economy as a result of the November 18 budget. Further measures, if necessary, will be announced when I bring down the next budget.

**Mr. Nystrom:** I have a supplementary, Mr. Speaker. In view of the minister's expectations, again at the conference, that it will take about four years to bring inflation down to an acceptable level through the program he has outlined, are we to assume that no significant measures will be taken during that period to stimulate the economy and provide more jobs for the unemployed?