

Oral Questions

I must advise the hon. member that I received information today from the National Energy Board to the effect that it had denied the application by the province of Nova Scotia for a review of the board's earlier decision. However, the National Energy Board has indicated that it is willing to deal expeditiously with a new application. In the view of the board, there would be fewer delays and fewer legal problems in dealing with a new application and less time would be wasted than if it were to hear an appeal.

As a government we are committed. We will see to it that the Energy Board follows the normal process in terms of making sure that the proper rules and regulations, for instance, with regard to the environment, are respected. But as a matter of national policy, that pipeline will be extended without delay, to be completed by 1983.

Mr. Crosby: Madam Speaker, the words of the Minister of Energy, Mines and Resources are very interesting, but the minister knows that the application to extend the gas pipeline was before the NEB for months, and it turned that application down. Now he says—

Madam Speaker: Order, please. The hon. member will not do this twice to me. The questions must be brief.

Mr. Nielsen: And the answers.

Madam Speaker: I had to call the hon. member back to order on the first question. Would he please go straight away to his question.

Mr. Crosby: Madam Speaker, I must respond in relation to the answer. I would ask the minister how he can assure this House that the National Energy Board will approve this gas pipeline extension? The minister has said it is a matter of national priority, but does the NEB agree with him?

Mr. Lalonde: Madam Speaker, if necessary, a bill will be introduced in this House to achieve that purpose. However, we have no reason to believe that the National Energy Board will not respect and understand the national priorities set by this government with regard to this particular project, to which it attaches the highest importance.

Mr. Hnatyshyn: When are you going to appoint a chairman for that board?

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THE BUDGET

INQUIRY RESPECTING STEPS TO PROTECT CANADIANS FROM INFLATION

Hon. Michael Wilson (Etobicoke Centre): Madam Speaker, my question is directed to the Minister of Finance. The budget he introduced last night makes practically no effort to contain inflation, which is running rampant in this country and which is generally regarded as the number one problem currently faced by this country. The government has ignored the pleas of

the governor of the Bank of Canada who called as a minimum for the maintenance of the level of the budget deficit, rather than a 40 per cent increase from the level which was predicted by my colleague, the hon. member for St. John's West.

What steps is the minister proposing to take to protect Canadians from the impact of high inflation which will clearly be caused by this budget? I ask my question with particular reference to the responses made by the minister relative to the low and middle-income earners and home owners, all of whom have been virtually neglected by this budget.

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member will realize that the total framework of the budget, including the support for the monetary policy of the governor of the Bank of Canada, including the fiscal plan which foresees a reduction in the deficit over time and a sharp reduction in our financial requirements and including an emphasis on productivity supported by a number of financial programs—all of these are intended to make a contribution to the lowering of the inflation rate.

However, as I said in the statement last night, it is a battle that will not be easily won. It depends a good deal on responses in the Canadian economy by firms and individuals with respect to their expectations in the area of inflation. I believe that the emphasis on the budget has been very much directed to dealing with the problem of inflation.

Mr. Wilson: Madam Speaker, I think what is needed is some leadership from the government, if the private sector is going to take action and control its own desires respecting increasing inflation in this country. If one looks at the figures, it is hard to believe that there is any degree of control in them. Last January the Liberal party, while in opposition, was saying that it would control spending. Spending for this year will be up over 15 per cent on a budgetary basis.

In view of the lack of control shown by the government in its spending estimates, and in view of the fact that the projections which were put forward in the budget are exactly the same as were seen by us when we came into office last year, with no regard to the actions taken by the hon. member for York-Peel and the hon. member for St. John's West, will the minister review the spending projections in his budget statement against the projections of the hon. member for St. John's West to determine whether or not there is a basis upon which we can reduce the very high level of government spending and have a better degree of control than there is right now?

Mr. MacEachen: Madam Speaker, what I know is that the former government established a 10 per cent expenditure limit without ever telling us how it would achieve that limit.

Mr. Wilson: It is there in black and white.

Mr. MacEachen: I would like hon. members to tell me how they would have maintained a 10 per cent spending level in fiscal year 1980-81.

Mr. Stevens: You voted us out; you should have left us in.