

*Oral Questions*

like we will have an 8 per cent drop in productivity in Canada, when we have 10.3 per cent of the people declared to be unemployed—really more, in fact—and when our banana dollar is selling for 76.86 cents? Does the minister agree with the view that Canadians have never had it so good?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I have not looked at the statement alleged to have been made by my colleague. However, my appreciation of the situation in the country was set out yesterday afternoon in some detail. I certainly described the situation which presently exists in the Canadian economy as being a very serious one. That is my view, that is serious. As I pointed out, we are undergoing a very difficult situation, largely caused by the world recession and high interest rates in the United States but also being inflamed in this country by persistently high inflation rates. That is my assessment of the situation at the present time.

## COST OF GOVERNMENT PROGRAMS

**Mr. Don Blenkarn (Mississauga South):** Madam Speaker, one of the major problems we have is the massive amount of the deficit, now projected at \$17 billion, perhaps \$18 billion. Last evening the government did not go along with the efforts of this party and of almost all of the opposition with respect to eliminating \$1.5 billion, approximately, in government programs.

The Minister of Finance knows that there are a great number of priorities for the country which are not perhaps priorities today. Is it the minister's view that all of the matters that were suggested by the opposition as unnecessary in today's economic recession are, in fact, necessary as far as the government is concerned?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, last night we did have a series of votes and I must say that I was astonished at some of the proposals that were put forward by the opposition which, if accepted, would have caused serious disruption in the economic and social life of the country.

## QUERY RESPECTING GOVERNMENT INTENTIONS

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, my question is directed to the Minister of Finance. For over a year the minister and his cabinet colleagues have been trying to convince the people of Canada that high interest rates were necessary to bring down the cost of living. Not even his backbenchers in the Liberal party believe that any more. Does the Government of Canada have one specific new idea today that will enable Canadians to cope better with increasing prices?

• (1425)

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Yes, Madam Speaker. There are certainly quite a number of new ideas.

**Mr. Broadbent:** That answer was at least succinct. It might have been a little helpful if the minister had told the people of Canada what he has in mind.

COST OF OIL—ANNOUNCEMENT OF BUDGET PRESENTATION ON  
JUNE 28

**Hon. Edward Broadbent (Oshawa):** I will try to get some specifics from the minister. The people of Canada do not need to have today's figures to know that for home owners, mortgage prices on the one hand, and energy prices on the other for those Canadians who drive a car, as most do, were the two principal reasons why the cost of living went up year over year. Both of these items, mortgages and energy prices, are the direct responsibility of the government. Considering that next Thursday Canadians will be faced with another 7 cents a gallon increase in the cost of oil, will the government just once come down on the side of the consumer, and go to the producing provinces to try to negotiate a complete elimination or at least a postponement of that 7-cents a gallon increase?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, the hon. member has asked me to tell him what I have in mind. I want to inform him that on Monday evening next I will be telling the House of Commons what the government has in mind. That will be next Monday evening. I intend to cast my statement in the form of a budget speech.

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

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

**Mr. Broadbent:** Madam Speaker, all I can say to that, on behalf of 20 million plus Canadians, is we hope to God it is a lot better than the last one.

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

## REQUEST THAT GOVERNMENT FOCUS ON CREATION OF JOBS

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, will the minister assure us that at least, in the budget we are looking forward to, its central focus will be the creation of new jobs for the thousands of men and women in this country who would rather be working instead of collecting unemployment insurance?

**Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance):** Madam Speaker, I think I ought to answer the second last question by telling the hon. member that the price increase he has mentioned does not come into effect until next September rather than July, as he suggested. That is the fact.