The Minister of Finance said in his address that he will try to reduce the budget deficit over time. The fact of the matter is that right through to the end of the projections, the budgetary deficit of the government is forecast to be nearly $12 billion.

Consider the situation had this government not been in office. The budgetary deficit next year would have been $9.7 billion, reduced to $9.2 billion, reduced to $9 billion. In other words, the effect of the activity of this government is to increase the deficit astronomically and, what is even more important, increase the amount of money which must be borrowed, printed or in some other way obtained from the people of Canada. This year alone we will pay $10.4 billion in interest. Assuming interest rates stay the same, we would pay $12.3 billion next year. But they will not stay the same, they will go up. So it will be more than that. Assuming they will stay the same, even though they will not, it will be $14.375 billion in 1982-83 and $16.2 billion the following year. But the interest rates will not stay the same, so we will pay more than that. The interest alone is forecast to continue at 4 per cent of the gross national product. Approximately one-fifth of what the government takes goes to interest. The government's share of the GNP remains, throughout the entire forecasted period, in excess of 20 per cent for the GNP.

• (2150)

This is a government which says that inflation is a problem. This is a government which has an adviser, the governor of the Bank of Canada, who says there must be sound fiscal policies. This is a government which does not give a darn about fiscal policies or fiscal responsibility. This is a government organized to grab more and more of the resources of the country to feed its mandarins, to feed its appetite. This is a government which does not really care about cutting back programs which have spent themselves out and are no longer required. It carries on; there is no thought of sunset in the mind of this government. It takes more and more and more. It takes more of the economy, more of the wages and incomes of Canadians, and passes them through the ivory tower.

Before the end of 1983 the net debt of the country will be in excess of $100 billion. By that time the percentage of debt will be very close to 30 per cent of the gross national product. We are getting ourselves into a debt which our children, our grandchildren and our great grandchildren will never be able to pay. Indeed, as one person commenting to me said, "They will not have to pay it because the economy will not work. It will not be there; we will have a new money system and it will be all over."

This is the most incompetent budget ever presented. I call as my first witness the governor of the Bank of Canada. Today we asked the governor about the problem concerning borrowing money. The governor has done a fine job this year. As the fiscal agent of the Government of Canada, he has managed to borrow, about $13 billion, netting out about $11 billion, in the last 12-month period. But even this week he had to finance, print or whatever, $683 million extra just to finance the government along. How he can continue to borrow and finance the government without undue "monetism", I do not know. He has managed to do it, but he cannot do it much longer. He will not be able to do it much longer unless he has some help from the Minister of Finance and this budget gives him no help.

I call as my second witness Frank Miller, the treasurer of the province of Ontario. Today in the provincial legislature he called this budget "no answer to inflation, no assistance to manufacturing industries, no assistance to tourism, no assistance for anything responsible at all", and immediately indicated he would require a new provincial budget within two weeks.

I call as my last witness the people of Canada who responding in the stock-market today drove stock prices in Canada down $3 billion. They drove the indices down so far that we had one of the worst days on the market in history. Compare that to the "Crosbie" budget of a year ago.

Mr. Deputy Speaker: I regret to interrupt the hon. member but his allotted time has expired. He may continue only with the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

An hon. Member: No.

Mr. George Henderson (Parliamentary Secretary to Minister of Fisheries and Oceans): Mr. Speaker, it is a pleasure to stand here tonight and make some comments in reference to the budget presented by the Deputy Prime Minister and Minister of Finance (Mr. MacEachen). Regardless of what has been said by hon. members opposite, I believe this budget recognizes and indeed attempts very positively to deal with the economic and social realities facing Canada in the 1980s.

If this budget had been presented by my hon. colleague's predecessor with the same feeling of compassion for the little person and concern for disadvantaged areas of the country, the seating arrangement in the House today might have been different, but that is not the case. Very simply the budget before us is one which demonstrates the government's feeling of compassion and concern for the everyday Canadian. It is a budget which will improve the economic well-being of areas of the country which have been at a considerable disadvantage for far too long.

The predictions of doom and gloom of members opposite are obviously ill-founded. As evidenced either by their own budget of December, 1979, or the "boojit", as the hon. member for St. John's West (Mr. Crosbie) used to say, perhaps they were preconditioned to expect the worst. It is quite amazing that the hon. member for Calgary Centre (Mr. Andre) and the hon. member for Mississauga South (Mr. Blenkarn) should have claimed a distortion of the facts. I cannot find any distortion of the facts in this budget, but I submit members opposite have certainly distorted their famous budget of December, 1979.

I cannot understand how members opposite can rise in this debate and condemn the budget presented on Tuesday evening