

He also referred to proposals by bureaucrats to cut programs. He is correct. When we were in government bureaucrats made proposals to cut. They tried to cut a social housing program in my constituency at least five times over the last 10 years. However, when it reached the political level, we said no. I was able to maintain that program in my riding against what the bureaucrats were proposing by approaching the Minister face to face on several occasions and indicating that we should not do that. I hope some of the back-benchers on the Conservative side will take the same approach. I hope they will approach their Ministers and say: "That will hurt in my constituency; it will put people out on the street. Why don't you scrap that? Let's not go ahead with that ridiculous proposal".

[*Translation*]

Mr. Deputy Speaker: The Hon. Member for Mission-Port Moody (Mr. St. Germain) has a question.

[*English*]

Mr. St. Germain: Mr. Speaker, it is really a great day. The Hon. Member for Notre-Dame-de-Grâce-Lachine East (Mr. Allmand) used to belong to the NDP. It does not surprise me nor anyone in the House—

An Hon. Member: He still belongs to it.

Mr. St. Germain: As the Hon. Member points out, he still belongs to the NDP but sits with the Liberals. They have been bed partners for years and I guess they will continue in that vein.

However, I find it surprising that the Hon. Member would rise at this point and question our approach. From day one during the campaign his Leader and his Party continually said that we were not saying anything. Now he rises and says that we made 338 promises. We will carry out those 338 promises; however, we will phase them in and they will be carried out in a business-like manner. That is how this country will be run. Obviously it will be a shock to the Hon. Member because he does not know how to do this.

An Hon. Member: A day doesn't go by when you don't break a promise.

Mr. St. Germain: Promises will be lived up to. However, the Liberals fought with everyone. They governed through confrontation. They governed through confrontation and cannot understand how people work through consultation and conciliation.

The Hon. Member appears to be knowledgeable and to know exactly what went on in the previous administration. He said that he wanted to wrestle the deficit; he wanted to reduce it. In 1980 they made that promise, and it was a blatant misrepresentation to Canadians because the deficit did not go down; it went up. What recommendations would he now make? The adjustments made by the present Government were made in a humane, understanding way, taking into consideration people first. Obviously the Hon. Member must have some recommendations; I am sure he would not rise

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otherwise. Where would he have performed the required cut-backs to wrestle the deficit which is destroying the country and bringing about high interest rates?

Mr. Allmand: Mr. Speaker, I have great respect for my hon. friend. He and I, despite our differences in politics, are good friends. However, I want to correct him on his first point. I was never a member of the NDP. I was a member of the CCF. I had to leave that party when it became the NDP because I did not believe in its new philosophy. I found that there was more to satisfy me in the Liberal Party than in the NDP.

He talked about the 338 promises. He said that they will introduce them in due course. I hope we do not hold our breath. As a matter of fact, the reason I pointed them out to him was not because I wanted them to bring them all forward. Some of them are good, some of them are not so good. I referred to them because it points to the credibility of his Party. It made some 338 promises and on its own admission they totalled \$4 billion. They also said during the campaign that the deficit was to be \$36 billion; then they said that they cannot implement the promises because the cupboard was bare and so on.

With respect to confrontation, there was some confrontation during the last five or ten years. However, we must remember that there was a government elected in Quebec which had the explicit purpose at that time of splitting up the country. There was going to be confrontation. There was no way we would accept any of that. When there were other provinces which wanted to whittle away the federal authority, there was no way we would accept it. The initiatives for that confrontation did not come from the federal Government. The proposal for a referendum on sovereignty association did not come from us; it came from the Péquiste government in Quebec. We opposed it. We confronted it and we will always confront it.

In the Budget last Spring there was a program to deal with the deficit. First it was to eliminate waste and duplication, not whole programs if they were good ones. Also we wanted—and it is a goal shared by him and his Government—to do something about the unemployment rate. We believe in direct employment programs, not just in a private sector approach to it. Something had to be done about unemployment because the greatest cause of the increased deficit over the last few years, if the Hon. Member looks at the figures, has been the drain on the economy through unemployment insurance and programs to deal with unemployment. If we stimulate the economy to the extent that unemployment drops and employment rises, there will be a lesser drain on the spending of government and there will be more money paid into it through income taxes and so on.

We do not believe that the principal cause for the lack of business confidence is the size of the deficit. In Japan there is a higher percentage deficit of Gross National Product, yet it only has 2 per cent or 3 per cent unemployment and inflation rates. The real cause of the lack of business confidence lies elsewhere. It lies partly in national problems and in international problems. The cause is not some of the programs which were cut the other night.