

Statement by Finance Minister

Prime Minister asked some of his colleagues to stay around on this occasion.

Mr. Starr: Is that the only reason?

Mr. Sharp: Yes, the only reason. It has been urged by speakers on the other side that somehow in making this statement today I have produced chaos, as they say, in the financial markets, and that by announcing I am going to be bringing further financial measures before this house I have somehow broken all the precedents and somehow started a new wave of uncertainty in the market.

Hon. gentlemen opposite know this is not true. Every time I make an announcement that I intend to bring down a budget on a particular day exactly the same sort of situation is created. Moreover, in respect of the suggestion that it is unprecedented, for me to announce an intention to ask for further revenues, let me point out to hon. members opposite and yourself, sir, that I have done this on at least one occasion during the time I have been the Minister of Finance, and that was when I said I intended to bring in measures to finance the supplement to the old age pension. These are specious arguments.

May I also add that I regret very much that hon. members opposite on such an occasion should go out of their way to create a feeling of uncertainty and a lack of confidence that my statement was intended to offset—

Some hon. Members: Oh, oh.

Mr. Sharp: Hon. members opposite have been asking me day after day for weeks to make a more definite statement. Now that I have done so they object and say I am creating increased uncertainty. Finally, Mr. Speaker, without straying from the point of urgency—

An hon. Member: You have already strayed.

Mr. Sharp: The reason I said the government proposes that the arrangements for consideration of these measures should be a matter of consultation is that, as the house knows, we are already in the committee of ways and means. Therefore the procedure can be associated with an ordinary budget or otherwise. There is no uncertainty on the part of the government as to timing; there will be plenty of opportunity for these measures to be discussed.

of the Minister of Finance. It has been said that we shall have an opportunity to discuss it, although the time is not specified. But that is not the point of the motion. The motion seeks to discuss the indications of the serious national financial crisis contained in the minister's statement, which was made on motions, as well as the impropriety of making at this time and in this manner a statement which forecasts an increase of taxes. Those two matters are urgent and they ought to be discussed now.

It is urgent to discuss them so the confusion and consternation the minister's statement will have already created in the financial markets of this country may be arrested. The minister cannot fob us off by saying "You will have an opportunity next week, perhaps, to discuss my tax proposals." A discussion then will not prevent the consternation presently felt in the financial markets and will not deal with the urgency of that matter. A debate now will not give the minister a chance to retrieve himself—he cannot do that—but it will enable us to minimize the chaos that his statement, made at this time and in this manner, undoubtedly has created.

• (11:40 a.m.)

The only way that can be done, in my submission, is by the government through the minister telling the house what measures are proposed, and giving us the precise background in order that the country and the financial markets will know what the situation is, and in order that the reaction of the markets and the country may be intelligently geared to the actual situation and not to the speculation which is bound to exist if there is not an explanation. In this way the house can hold the minister and the government accountable for this unprecedented conduct in announcing tax increases at this time and in this manner, seeking to leave things in confusion and uncertainty until, in the government's good time, it is prepared to let parliament discuss the proposed measures.

For these reasons it is urgent to debate this now, and this urgency cannot be met by allowing the minister to calmly come along and say we can discuss this next Thursday night. The implications for the country are too serious to allow that course to be followed. The situation can only be met by a debate at this time, today and now.

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, perhaps the statement I have made here today will make it evident why the