Election Promises

least well off enough to afford a home was unfair. That program has also disappeared.

We felt that the limited spending resources of the federal government should be aimed first at helping those who need help most. One of our first steps after forming the government was to increase the guaranteed income supplement by $35 a month. We have taken action that removes the unfair measures proposed in the Conservative budget, and within the available resources of the government to help those who are hardest hit by inflation.

On energy, we are working as a government to bring about an energy package which can be presented to the House of Commons and which will be the basis upon which to provide a budget. I want to say a word or two about that later.

I want to share the view of the Leader of the Opposition in respect of the New Democratic Party, at least in one aspect, and that is its failure, in fact its repudiation of past efforts, at intellectual honesty. At one time the precursor of the New Democratic Party set a standard for at least intellectual honesty, if not political judgment. The Leader of the New Democratic Party has, I believe, the effrontery to come before the House presenting a motion and saying that in the last election campaign the Liberal party promised to reduce interest rates, promised to reduce taxes, and promised to produce a stimulative budget.

There is a word for that statement, and the word is simply that the statement is a lie. The NDP possibly will have another speaker during this debate and I challenge the next speaker to produce a statement from the leader of our party during the election campaign saying we would reduce taxes. On the contrary, the leader of our party on taxation said there would be review of the taxation system to ensure that it be fair and equitable, that no new taxes would be introduced or, contrary-wise, that no new programs would be introduced in the House of Commons unless those programs were financed by new taxation or from savings from current programs. That is what was said on taxation.

On the stimulative deficit which the leader of the New Democratic Party has mentioned, he can search forever and a day and find no support for his allegation this afternoon. On the question of interest rates, he will search the speeches of the leader of our party to find a promise that we would reduce interest rates. I happen to be chairman of the platform committee and I know the sequence of events. I know the consideration given to that problem, and there was no commitment to lower interest rates. We did not make the commitment, but interest rates came down, and that is the main point I want to make.

The leader of the New Democratic Party ought to be more careful in searching out his facts and telling the House of Commons and the Canadian people the truth, because there is absolutely no statement made by the leader of our party, who was establishing the party platform during the campaign, to support any of his allegations.

We had a speech this afternoon from the Leader of the New Democratic Party which was extremely interesting. He has prescribed a fiscal and monetary policy for Canada that nobody in any other industrial country will support. I attended the meeting at the Summit recently. The seven main industrialized countries were represented there and not a single leader, not even Helmut Schmidt, would support the line put forward today by the leader of the New Democratic Party.

I remember one or two times in the House when the Leader of the New Democratic Party described or held Helmut Schmidt up as a soul-mate, a model of socialism in action that might be emulated by other countries; but no leader among the seven would subscribe to the economic policy put forward today by the Leader of the New Democratic Party, and that includes Japan, West Germany, the United Kingdom, the United States and all the others.

In fact, what the communiqué stated was that "determined fiscal and monetary restraint is required to break inflationary expectations". Earlier in that paragraph the communiqué stated that "the reduction of inflation is our immediate top priority and will benefit all nations. Inflation retards growth and harms all sectors of our societies". Even though I have committed myself to reflect upon the views of the Leader of the New Democratic Party, I will have to do so in the context of the prevailing opinion in all industrialized countries of the west that the immediate top priority is the battle against inflation, and that at this stage it would be unwise to change that fiscal and monetary stance in order to reflate the economy, and to reflate it in the extravagant way suggested by the Leader of the New Democratic Party.

● (1620)

The Leader of the Opposition referred to the failure of the government, up to the present time, to bring in a budget. I find it passing strange that he would raise that subject in view of the long period which his minister of finance took before presenting a budget to the House of Commons. The former minister of finance, the hon. member for St. John's West (Mr. Crosbie), knows how fundamental energy policy is to the development of a budget or a fiscal plan. The hon. member has taken to using that more sophisticated phrase, "fiscal plan", and I use it in my vocabulary now following the usage by the hon. member.

The hon. member for St. John's West knows that an energy policy has immense implications for revenues, expenditures, and the deficit. He delayed his own budget until December, and even at that time his government had not succeeded in finalizing an energy agreement with the provinces. We are in the process of finalizing or seeking an energy policy now which will be more acceptable to all Canadians than the policy of the former government. As all hon. members know, negotiations with the producing provinces are proceeding at the present time with all possible dispatch.

The existing pricing agreement has been extended for one month. The ministers of energy of the various governments are at work and later, no doubt, the Prime Minister (Mr. Tru-