

Third, we must restore reasonable cost and price stability. The experience of recent years has made it very clear that inflation is the enemy of growth, because it weakens consumer and business confidence and erodes our ability to compete in world markets.

Individual Canadians must accept the need to be reasonable in their wage and salary demands at a time when the issue for more than a million Canadians is not getting a pay increase but getting a job. There will be times when we will have to pay more for some of the things we buy without expecting any offsetting increase in our incomes. It is futile and damaging to try to compensate ourselves for the higher costs of imported goods.

I look to the business community to explore markets aggressively and demonstrate the faith in Canada that is merited by its great material and human resources and its sound institutions.

Governments must pursue with discipline the policies that will encourage as much growth as possible at declining rates of inflation. We shall continue to restrict the growth of our own spending to less than the trend growth of the gross national product. In doing so, we will continue to pursue greater efficiency in government. In setting the wages and salaries of our own employees, we will follow—not lead—the private sector.

If we all play our part, we can advance into the 1980s with rising investment, declining unemployment, an improving balance of payments and strong growth in all parts of this country.

There is only one way to get out of our difficulties and that is for all Canadians to apply themselves diligently to build a better future for our children and our grandchildren. It is through hard work, imagination, determination and discipline that we will succeed.

Tonight, despite the prospect of an early election, I have refused to make irresponsible promises to the people of Canada because I respect the intelligence of those who will be choosing the next government. The theme of the budget which I have brought down tonight is responsibility, and responsibility is what Canadians deserve.

Some hon. Members: Hear, hear!

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, as hon. members of the House know, this is the first budget brought in by this Minister of Finance (Mr. Chrétien). The minister has been in office for seven months, and frankly I believe most feel that we were entitled to a better effort tonight than we have just received.

Some hon. Members: Hear, hear!

Mr. Stevens: I sincerely hope that this minister will be a little better at skate boarding than he has been in preparing a budget, or he is going to damage himself very cruelly. Let us face it, this budget tonight is another example of the half measures that this government has been offering to the

The Budget—Mr. Stevens

Canadian public for ten years, half measures which have caused the number of unemployed in this country to rise from 375,000 to over one million today and caused inflation to more than double in the ten years that the Prime Minister (Mr. Trudeau) has led this country. I say “half measures” because if we add up the total revenue stimulant offered by this minister to trigger the proper reaction in the Canadian economy at the present time, it totals \$900 million. That figure is not half of what is needed to trigger our economy into the exciting growth that Canadians frankly deserve from any government that wishes to lead them to the prosperity which can be theirs.

We have said that we believe in one form of tax cut or another designed to trigger consumer confidence and consumer buying again in Canada. At least this government should be willing to give up \$2.2 billion.

Some hon. Members: Hear, hear!

Mr. Stevens: When I say “\$2.2 billion”, it is because we can pinpoint enough fact, as well as sloth on the part of this government, to save well over \$2 billion for the Canadian public. I do not know how the minister could read those words into the record with a straight face, namely that he has been following a policy of restraint.

I refer hon. members to the budget given by the previous minister of finance, Mr. Macdonald, in this House on March 31, 1977, at which time he indicated that for fiscal 1978 the total spending, as far as his estimate was concerned, would be \$41,900 million. Tonight we learned that estimate was \$1.1 billion out of whack alone.

Mr. Andras: That is absolutely incorrect, absolutely inaccurate.

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Mr. Stevens: Mr. Speaker, the President of the Treasury Board (Mr. Andras) says “incorrect”. I would recommend that right now he pull out the March 31 budget of Donald Macdonald where he will see the figure in Table 1.

One of the serious problems of this country today is that this government does not believe the facts. We have a budget tonight full of half measures. Frankly, I believe the government has become an administration full of half measures.

We recall that on October 20 the concept of an employment tax credit was announced. We gave support to that concept in the earnest hope that it might get some Canadians back to work who otherwise would not be gainfully employed. We supported it and gave it one day passage in this House. What has happened since? It now turns out that the government proposes to tax back a good proportion of that tax credit. Not only does it propose to tax it back, the program is not completely operational even to this date, April 10, 1978, after being announced on October 20, 1977.

I could also refer to many other things. Most Canadians are humiliated to see our dollar fall and fall in value. Frankly, that dollar would not have fallen as low as it has today had it not