

*The Budget—Mr. Axworthy*

our country? What is their answer? What is their quick fix for that? There are no quick fixes in today's world. We do not want to listen to them any more. We are trying to convince Canadians that it is time to get away from gimmickry and to come to grips with having to make honest, realistic choices based upon the situation.

Let me talk about the whole question of restraint. The Minister of Finance and this government have repeatedly said that we can provide for stability in this country only if we get inflation under control. It is a corrosive, cancerous, deep-rooted sickness in our society that must be eliminated. It must be eradicated if we are to provide for any certainty in investment, any stability in our markets, any sense that one's income has a continuity to it. It is endemic to all countries in this world. We are simply saying that we have to find the ways to convince Canadians, whether it is business, labour, public servants or politicians, that we cannot always be on a happy joyride and that we have to come to grips with the eradication of our fundamental problems.

• (1640)

The federal government, Mr. Speaker, does not have the total dominance over the economy. We are only one aspect. The kind of impact that we can make has declined over the years. Some 20 years ago, 60 per cent of all public sector spending was at the federal level. That has reversed in that period of time; 60 per cent is now spent by the provinces and the municipalities.

What we notice with a great deal of sorrow and sometimes frustration is that their wage settlements are running at 13 per cent and 14 per cent, that they are not only above the private sector but way above federal sector settlements. Nevertheless, we still believe that we have to set some direction, some standard, some measurement, some purpose in society by giving leadership and showing where we can go.

We are not doing it by taking on public servants as victims or by picking upon them. We are simply saying that these are people in our society who have protection, who have job security, who have an advantage that many other workers do not have. As Minister of Employment and Immigration I go weekly to talk with people who are being laid off and are suffering the miseries of the market because the mining industry cannot sell its product or because the automobile manufacturers cannot sell their cars. They would like the same kind of security and protection that people in other industries have, including those in the public service. We are simply saying to those Canadians who have the advantage, who have the benefit of a degree of permanency, of security of income and of jobs, that surely they can be prepared to share some of their resources with those who do not have that same degree of security.

That is what we are putting on the table and saying that there is a trade-off to be made. We find it surprising, Mr. Speaker, that certain labour leaders—not all but some labour leaders—are saying they will fight this to the death. I find that

they are saying, in effect, that they are going to oppose measures that would give their own brothers and sisters in other unions a chance to go back to work. They are saying: "We are prepared to protect our own turf and territory and sacrifice other workers who cannot get jobs". That is really what they are saying. Mr. Speaker, that is a serious condemnation. That is the kind of attitude we must defeat. The kind of appeal we are making is for members opposite to forget the kind of partisan nit-picking they have been engaged in in this House. We need to recruit their responsibility and their co-operation in trying to change those attitudes.

**Mr. Blackburn:** More jobs.

**Mr. Axworthy:** We hear from the member from Brant (Mr. Blackburn), who, by the way, is a Member of Parliament who came to my office time and time again, saying: "Please create work in the high unemployment market in my community." This the government did, so that we now have a labour system and investment going in this community. And now he is being opposed to it.

**Mr. Blackburn:** On a point of order, I would like to remind the minister that since he came to Brantford the unemployment rate has gone up and not down.

**Mr. Deputy Speaker:** The point of order is not well taken. Members can only be recognized in their place.

**Mr. Axworthy:** I would be glad to point out to the hon. member, and to his constituents in particular, that if he now wants to withdraw and let them have his resignation, I am sure they would be glad to respond to his request. I am sure that the people in his constituency would have a point of view very different from his.

We are making an appeal to Canadians, Mr. Speaker, to come to grips with the fact that we must deal with the problem of inflation. We must ask them to accept restraints not just on their wages but also on prices and allowances and on pensions. In that way we can provide some basic signposts, some directions for the others to follow. We have invited the premiers to Ottawa to ask them if they are prepared to do the same in their areas of responsibility. We hope that those who come will follow and that the private sector will follow as well.

We also realize, Mr. Speaker, that the turning around of the Canadian economy is like trying to steer a big ship; you can turn the wheel, but it has a long, long turning arc and it will take time. In the meantime, in between periods, there are many Canadians out of work. That is why we felt it was absolutely imperative that we put measures into this budget that provide for immediate job creation across Canada, that give Canadians the opportunity to begin going to work right away.

We have included in this budget, Mr. Speaker, a number of initiatives that can be applied to different regions, to different groups, to help them respond to the problem of unemployment. There is an increase of \$450 million for direct job creation; that was put in the budget last night. It raises direct spending on direct job creation to its highest level ever in this country.