

*Government Orders*

• (1635)

In fact data we are now analyzing from the Mincome experiment in Manitoba suggests there is not a really strong relationship between a guaranteed income and a refusal to work. It does not exist.

Others will say we cannot afford that approach. Interestingly enough the gentleman who proposed the GAMI at our meeting was to my mind probably more a part of the right wing of the political spectrum than the left wing. He saw real opportunity to streamline the number of programs we have now to support Canadians and their income. He saw an opportunity to reduce the bureaucracies we have built up around unemployment insurance, old age security, WCB, some provincial programs as well.

What I am seeing is that we may have a window here where the left and the right and where all provinces across this country may now be able to come together.

I started my comments by congratulating the Minister of Finance on a step change in process toward budget consultation. I now ask him to consider a step change in the substance of what many of our programs might look at, the one that we spend a majority of our money on, income security.

It will take some work and we will not be able to do it in the 1994 budget but I believe as Liberals we have a mandate for a number of years and we do have to seriously consider the notion of a guaranteed annual minimum income.

I have given you some highlights of the meeting I held in my constituency on January 6. In closing I would like to recognize that the citizens of Brant know that the minister has a difficult task ahead. They appreciated the opportunity to share their ideas, provide advice and direction.

They hope and expect that he will listen to a number of their ideas and they also expect that those ideas which are not incorporated are talked about after the process and the reasons why they were not considered will also be shared. The process must continue. It must go on.

This is the kind of process to which our government is committed. Certainly our minister has indicated that is the way it will be. I wish him well on the tough road ahead and would like him to know that the people of Brant appreciate his continued support and openness.

**Mr. Simon de Jong (Regina—Qu'Appelle):** Mr. Speaker, I wish to congratulate the member for Brant for presenting some interesting ideas, particularly concerning some form of the guaranteed income. I think she will find that notion has wide support in this House. I hope that the Minister of Human Resources Development will look at the option as he reviews social policy as well.

My question for the hon. member concerns the government and the Liberal Party's promise of solving the problem of the deficit through more employment. It is an argument I totally accept.

Statistics Canada did a study as to the cause of the debt. I believe that study was done last summer. Statistics Canada said that of our accumulated debt, 50 per cent was due to interest payments, i.e. the high interest rate policies of the former Liberal government that the Conservative government continued. I believe 44 per cent was due to loss of income. The loss of income is due to the tax breaks of the former Liberal government that the Conservative government continued and only 6 per cent was due to increased government expenditures of which only 2 per cent was due to increased social spending. This is a study by Statistics Canada on the cause of the debt.

We have to increase our revenues. In other words we have to plug some of the tax loopholes. I encourage the government to continue to look at that but also we have to get people back to work.

The free trade agreement killed over 400,000 jobs. NAFTA is going to kill more jobs. Since coming into power the government has increased the tax on employment, discouraging employment by increasing the UI premiums. Second, it has ratified the NAFTA which is going to create more unemployment. How can the government in fairness state that creating more employment and therefore more revenues is its central concern when in fact the record so far indicates it has taken the opposite direction?

• (1640)

**Mrs. Stewart (Brant):** Mr. Speaker, I would like to comment particularly on the unemployment insurance issue. I believe that the Minister of Human Resources Development has taken a very responsible approach to the UI increases. We have a debt in that bank. He took a minimum increase and froze it for two years. Hopefully our businesses can use that stability to help plan for the future.

With regard to NAFTA, I think we can compete. In my community we are currently working very hard to develop new economic clusters we believe will revitalize our economy.

I am certainly very much a part of the Liberal strategy that says debt and deficit management come from three areas, spending cuts, increased revenues, but most importantly economic growth.

**Hon. Jean J. Charest (Sherbrooke):** Mr. Speaker, I also want to make a comment and ask a question of the member for Brant. First I want to offer her my congratulations on her election to this place and for her speech and comments.