

Oral Questions

Clearly, this constitutes a serious crisis in this country for every community, every family, every province and territory. It is clear that as we reduce unemployment we will reduce social expenditures.

Given that we have a serious crisis of unemployment in this country, would the Minister of Finance consider bringing in an emergency budget based on the principle of full employment as we have promoted to be included in the Constitution of Canada, which would address the need in Canada to have an economic policy based on full employment?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, in spite of what the hon. leader of the New Democratic Party suggests, there has been a substantial decline in the number of low-income Canadians since we assumed office in 1984, something in the order of 600,000.

That has been brought about by new job opportunities, by skills upgrading, by tax reform, and by improving and directing scarce resources to those people most in need. That is what the child benefit package I unveiled in the budget is really all about.

The Minister of Employment and Immigration has outlined the emphasis we are making with respect to job training and skills upgrading, an increase in that budget of about \$300 million this year over the previous year, some \$3.4 million. We are seeing a larger number of Canadians leaving the unemployment rolls and becoming more involved in training and skills upgrading.

That is precisely what is required under the restructuring that is going on within the Canadian economy.

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THE ECONOMY

Hon. Audrey McLaughlin (Yukon): Madam Speaker, my supplementary is for the Minister of Finance.

We are seeing more people using food banks and more people even giving up looking for jobs. The Minister of Finance cannot turn aside from the reality of what is being affected by these high unemployment rates across this country.

[*Translation*]

I have a supplementary for the minister. A single

parent with two children who earns the minimum wage would have to work 90 hours a week to rise above the poverty line. More than half the poor in this country have jobs. The unemployed are not the only people in this country who are living in poverty.

If his government is sincere about wiping out poverty, why does it not collect the \$8 billion worth of unpaid taxes mentioned by the Minister of National Revenue, and use the money to deal with this problem right away?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member keeps referring to a so-called \$8 billion worth of unpaid taxes. I do not know where she gets that figure, but the hon. member should know that when she refers to those people who have paid lower taxes or no taxes, a lot of it has to do with the application of the lifetime capital gains exemption.

I am not sure what the position of the New Democratic Party is. It depends on what day you listen to those members. Some days they are in favour of a lifetime capital gains exemption on farmers and small businesses and on others they are not. They are going to have to make up their minds.

The hon. member has colleagues who are in provincial governments. They too are faced with the reality of meeting fiscal constraints. They are also faced with the difficulty of rising costs, both in health care and education, and we are trying to deal with those.

However, let me just say this. The hon. leader of the New Democratic Party talks about New Democratic Party proposals. Its unemployment insurance critic said the government should look into just printing the money needed and to spend its way out of the recession. Instead of borrowing the money we should just create it and then we will not have to pay it back. That is the silliest economic philosophy I have heard in Canada, let alone coming from a member of Parliament.

• (1130)

Hon. Audrey McLaughlin (Yukon): Madam Speaker, I am suggesting to the minister today that the Minister of National Revenue has said there is \$8 billion of uncollected revenue. His government in fact should look at collecting that and addressing poverty in that way.