

Canadians are worried. Canadians are concerned. They wonder if anyone in government has a hand on the helm of this country. The last thing they need at this time of uncertainty and worry is a con job from the Minister of Finance or a thinly disguised tax grab at their dwindling resources.

The minister walked in with a budget that allowed him to grab what he could—\$1.4 billion in higher revenues for the federal government—and then ran off to bury his head in the sand in the hope that he could escape the escalating financial storm and would hold that ignominious position until the storm was all over.

The Minister of Finance came in here on budget night and prated about equity. The 1.5 million Canadians living in poverty, almost a week after the budget, are today asking, equity for whom? Certainly it is not for those in the lower income bracket.

In a recent speech in Toronto the Prime Minister eulogized Liberal compassion, but for the more than one million unemployed Canadians forced out of jobs by the government's high interest rate policy, Liberal compassion has a deceptively hollow ring to it. Never once in the speech in Toronto did the Prime Minister deal with unemployment. Surely equity and compassion must be directed first and foremost to alleviating the problems of the neediest in our society, be they the unemployed, pensioners or families about to lose their homes.

Is this what the budget does? Is this what it addresses itself to? Not on your life, Mr. Speaker. It aggravates the problems of those people. It provides neither help nor hope. It condemns millions of Canadians already in straitened circumstances to greater hopelessness and despair. Long gone are the days of the "just society" or, indeed, of social justice.

If you need proof of that Mr. Speaker, just look at the social development envelope. The federal government expenditure on social programs will not keep pace with inflation next year as only \$30 billion has been allocated to social affairs. That is, indeed, an 8.9 per cent increase from this year, but inflation is running at 12.9 per cent so, in real terms, social development programs have to undergo a cutback, a decrease of 3.8 per cent. That means a cutback of the programs for the ill, the elderly, the disadvantaged. Programs such as those would be put on the back burner by this government.

Where is the social compassion the Prime Minister spoke of? Where was the minister responsible for social development when the Minister of Finance was carving up and cutting back the social affairs envelope? I have no doubt he was out peddling the Constitution and not paying attention to the social programs of those who vitally need them.

At a time when the country is in the throes of a severe depression, the minister has turned his back on those Canadians least able to help themselves. They are the real victims of this budget.

One of the Liberal backbenchers laughs about that. It is no laughing matter for the people who are ill, elderly or without jobs this winter or who are about to lose their homes. It is no laughing matter for them.

The Budget—Miss MacDonald

Mr. Nielsen: Thunder Bay-Nipissing.

Miss MacDonald: I am told it is the hon. member for Thunder Bay-Nipigon (Mr. Masters). I suppose in his riding there is no unemployment.

If the minister feels that my comments along this line are biased, let me refer him to another objective source. Earlier today the Canadian Council on Social Development released its analysis of the budget. In a damning indictment headed, "Budget shows loss of direction in social policy", the council excoriated the minister for his lack of planning capability in the social field.

The council had this to say:

The contradictions inherent in the treatment of social program funding, the inequitable treatment of low-income people, the counselling of distressed home owners to incur higher debts, and the tolerance for increasing unemployment, all indicate a loss of planning capability. It seems to us that Mr. MacEachen has formed his entire budget around the hope that interest rates will decline miraculously over the next couple of months. I don't think we can depend upon either U.S. policies or the Bank of Canada to guide our response to the social and human needs of Canadians.

Later, it had this to say:

The treatment of low-income people in the budget is a complete disappointment. Not only did the government not return some of the revenues from the extremely regressive energy taxes in the form of a tax credit, but they have ignored the plight of over 500,000 families who pay more than 30 per cent of their gross income for rent.

When that report came down today, Mr. Speaker, the Canadian Press covered it and, in moving the story of the council's critical analysis of the budget, used this headline: "Budget Takes From the Wealthy to Give to the Rich." It explained that the budget closed loopholes used by high income taxpayers to avoid taxes in the past. In return, it cuts the tax rates from high income individuals. There is not much commendation there for the Prime Minister's talk of Liberal compassion or the finance minister's vaunted equity. The cold comfort—and it is indeed cold comfort—that the Minister of Finance offers Canadians is that unemployment will get worse before it gets better and that the cost of living will go up before it begins to come down.

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Let me first turn to unemployment and the prospect of a long, bitter winter which one million Canadians will face in the coming months. In October, 989,000 Canadians were out of work. Since then, lay-offs have increased dramatically. Tonight, the headline in the paper in my home city of Kingston, the Kingston's *Whig-Standard*, stated that 4,100 people have been laid off since the budget. Four thousand one hundred more Canadians have lost their jobs since the budget was brought down. The prospects for employment in the weeks and months ahead have certainly not been made any brighter by this budget.

No new job incentives were introduced, despite the 8.3 per cent unemployment rate. That was not considered by the government to be a priority in this budget. The government will spend only \$154 million on direct job creation this year as compared with \$336 million ten years ago when unemploy-