

The Budget—Miss MacDonald

country. He had better find out what is actually happening with ordinary Canadians across this country. He had better find out that Canadians can be trusted. That is what I say to the Hon. Member for Ottawa Centre.

Mr. Fisher: Talk about the budget.

Miss MacDonald: I will certainly talk about measures in the budget because not only is the Prime Minister out of touch with reality, but so in many ways is his Minister of Finance (Mr. Lalonde). What they do not comprehend is that the people of Canada are no longer willing to buy their prescriptions. Even less are they willing to be made the butt of jokes and ridicule by the Prime Minister and his Minister of Finance. People have had too much suffering, too much uncertainty, too much frustration and of being stretched to the limits of their human and physical endurance by this Government now to be made the butt of sick jokes by the Prime Minister.

The treatment accorded the critical unemployment problem in Canada today by the budget of the Minister of Finance was also little more than a sick joke, although he did not use the same terminology as the Prime Minister. The Minister of Finance couched his approach to the issue in seemingly appropriate words. He said: "My dominant concern in preparing this budget has been to help the more than 1.5 million Canadians who want to work but cannot find jobs". That is his dominant concern. Did he really mean it or did he only say it?

I find it difficult, Mr. Speaker, if not impossible, to accept the words of the Minister of Finance as sincere when his budget provides for 182,000 more Canadians out of work this year than last, when it estimates that there will be more unemployed in 1985 than in 1982, and that there will still be a million-plus unemployed by 1987 and beyond. Either his "dominant" concern is really for the unemployed or it is not. His words say one thing but his budget says something entirely different.

This approach by the Minister of Finance, this "say one thing, mean another" phenomenon, touches many aspects of the budget. Taxpayers are promised a break but in the next few years they are going to have to pay additional taxes of \$3.570 billion. The housing industry, through a number of measures, has been promised a building boom, all these measures which are going to bring about a building boom. I ask the Minister responsible for housing why, at the same time that this was done, did the Government propose to jack up the federal tax on construction materials? What help is that to the construction industry?

Mr. Fisher: What date does that tax begin?

Miss MacDonald: The Parliamentary Secretary to the Minister of Finance (Mr. Fisher) asks what date is the increase in building tax to begin. It begins in 1984, but what confidence does it instil in the construction industry when the Government threatens to impose higher taxes on it? Businessmen and investors are promised inflation indexing of capital gains, but they will be taxed year by year on those gains whether or not they have materialized. Small business is

promised help with its losses when the greatest concern they now have is with expansion and trying to rebuild profits.

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Parents are promised an increased Child Tax Credit indexed to inflation, but the income threshold will be frozen, as will the \$710 dependant child tax deduction. The progress of time and inflation will effectively and not too distantly eliminate both these benefits.

What, then, does the Minister really mean by the budget, so complex that it took almost two months of delay before he could bring it in and twice the normal length to explain? Yet as we have all seen, the deficit and spending program was adjusted upward by \$200 million within a matter of a mere 24 hours.

We are told that the private sector is to be the cutting edge of both recovery and new employment. The Minister's predecessor deliberately threw two million people out of work in this country—deliberately threw them out of work—by the measures he introduced which crippled the private sector. Now this Minister of Finance hopes that with the timely application of a few band-aids, the private sector will not only walk again but carry everything else along with it.

Sir, if anyone or anything in our economy can work a miracle with such slender resources, I have no doubt it will be the private sector, those manufacturers and industries, large and small, that are the real producers of our national wealth. But at the same time as the Minister is giving the private sector this half-hearted boost, he continues to tell us there will be little or no change until the world economy changes. This, of course, is part of the ongoing Liberal litany that all our problems are the fault of someone else. Our difficulties are created elsewhere and so, too, will be our solutions. The Minister sits before the media, Mr. Speaker, and explains that British Columbia coal will not get moving again until Japanese steel picks up. That will not be until people in the United States start buying again.

The argument of interlocking economies would be more valid were all our trading partners to have an equally dismal economic record as Canada has. Then the Government might have something to base that claim on. It would be more compelling if Japan also had a 12.5 per cent rate of unemployment, which it does not; or West Germany with double-digit inflation these past several years, which it has not; or the U.S., even with its huge deficit spending, which is nowhere near equivalent to our own \$31.3 billion deficit.

The truth is that we are not the helpless dependants of international welfare that the Minister of Finance would make us out to be. We do not need to wait for others, sir, to pull ourselves out of the economic mess that this Government has put us in. There is much we ourselves can do to raise this country out of the financial quagmire. But there is precious little that this budget will allow us to do along those lines.

Yes, I will agree that the budget has given the business communities some of the incentives and tools it needs to modernize, to invest in plant and machinery, to expand its