

The Budget—Mr. Epp

I suggest, Mr. Speaker, that we need a lot more courage, a lot more foresight and close scrutiny of the government's economic policies rather than simply a "wait and see" attitude. Across the country this government had a reputation for not listening, a reputation of being arrogant. Suddenly it is listening, and what it is hearing is the voice of discontent, specifically on its handling of the Canadian economy.

Some hon. Members: Hear, hear!

Mr. Epp: It is hearing this discontent from farmers, from small business people, from over half a million unemployed. But it is hearing another voice, that is, the small voice of its socialist colleagues saying, "Let's stay together; let's hang together, and we might muddle through". This being the case, Mr. Speaker, it is simply a continuation of arrogance for the government now to ask this House and the Canadian people to once again put their trust in it and in the economic policies it has espoused.

The party to my extreme left has generally been known as a party of principles—misplaced principles very often. Yet they have that reputation. For the moment they are willing to give up those principles. In order not to have to face an election, they are willing to follow a policy which their leader has said they cannot trust, a policy which they simply cannot accept. Yet they say they will endorse it unequivocally. I say, Mr. Speaker, that they have endorsed this government's economic policies for a mess of pottage, and nothing more.

In this budget speech on Monday last, the Minister of Finance (Mr. Turner) said there were two principal aims in his budget: first, to reduce unemployment and, second, to curb inflation. This government is asking Canadians to trust it to reduce unemployment, yet as a result of its policies for the last three or four years the unemployment figure has been hovering around 6 per cent or 7 per cent. How can it ask us to support that kind of record? It simply staggers the imagination, Mr. Speaker.

Our unemployment rate is amongst the highest in the western world, and along with that we have to contend with inflation. This inflationary rate cuts into the savings of our old people, many of whom saved during hard times, and it cuts into the incomes of those who live on modest or low incomes. These groups are hit hardest by inflation. This is an inflationary cycle, Mr. Speaker, which the Canadian worker feels he can only combat by asking for higher wages and salaries in order to stay ahead. It often happens that the people who cannot defend themselves against inflation are the weak and the old, those who cannot organize themselves. I suggest that the government has to look again at this segment of our population. An increase in the old age pension is not completely the answer.

The Canadian farmer, who must sell on an open market economy and must face competition, is hit hard by inflation. Why is this, Mr. Speaker? The farmer must buy manufactured goods. The labour costs connected with these goods are high, often following inflationary trends. He must recover the high prices he pays through returns for products which he sells. Farmers are surviving only

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because of the increased efficiency they have brought to their industry.

• (2040)

Despite these conditions, what has the Minister of Finance done except adopt a "wait and see" attitude. That there were some acceptable measures in the budget, I admit openly. I nevertheless suggest that, considering his record of forecasting, the minister should not rely on divine providence to any great degree.

You might describe the minister's approach to economics in this country in this way: he considers the economy much as a doctor might consider a sick patient who is in need of drastic and immediate medical help. Instead of being decisive and taking appropriate action, the minister quickly runs to the medical chest for a whole fistful of patent medicines which he offers to the patient. In this case, instead of "aspirin" read "tax cuts" and "higher exemptions," and instead of "sedatives" read "higher old age pensions." Having administered these medicines, the minister sits back and says, "I have done my job. Hopefully, the patient will be cured. If not, at least I tried." I suggest that is not enough.

Further, the Minister of Finance has asked for restraints on the part of the wage earner, on the part of businessmen and on the part of provinces. He has asked them to restrain their spending, hoping that this will cure inflation. At the same time, despite tax cuts, or whatever you may call them, this government will spend \$2.76 billion more this next fiscal year than it did the year before.

The Minister of National Defence (Mr. Richardson) has acquired the reputation in western Canada of being one of the spokesmen in cabinet for western Canada. If he will examine the estimates he will find that more is to be spent on public services in the capital region of Canada than in the four western provinces, the Yukon and Northwest Territories combined. Is that recognition of the west? If so, I suggest it is on a very small scale indeed.

I suggest, also, that the government is the single largest inflationary agent in the economy. If there is to be economic restraint and, hopefully, a reduction in our inflation rate, and if we are to ask the Canadian taxpayer to bear that burden, I suggest that the government first and foremost should follow its own advice and show leadership to the Canadian people.

On the CBC program "Encounter" aired last Sunday, the Minister of Finance talked about the indexed tax plan and mentioned that certain western European countries are adopting it. I suggest that we in the opposition have brought forward constructive ideas, which I am happy to say the Minister of Finance—

Mr. Alexander: Stole.

Mr. Epp: —incorporated or stole when presenting his budget. I therefore ask, why was there ridicule and arrogance last fall when we were debating this idea? Why did the minister not have the foresight to adopt it at an earlier date?

Some hon. Members: Hear, hear!