

reopened and the tax rate for rich Canadians has been kept at its reduced rate. This amounts to more than a billion dollar tax cut for Canada's wealthiest taxpayers. Contrast that to the impact of capping the indexing on income tax at six and five per cent and the 40 per cent increase in unemployment insurance premiums. That will take \$3.5 billion out of the pockets of ordinary working Canadians. Tell me how this represents an equal sacrifice for all Canadians.

Or consider this: last November the Government implemented a \$5.7 billion cut for medicare and post-secondary education. Only a few months later the Liberal Government, with the support of their Tory allies, boosted the handouts to oil companies through PIP to \$6.5 billion. It is restraint for health care and education and increased welfare for the oil companies!

This is the kind of program for economic recovery that inspires Tories and Liberals alike. It does not matter which Party it is, both of them are quick to criticize the labour productivity of ordinary Canadians and attack our social programs, but they never utter a word to challenge the kinds of corporate investment decisions made by big business. My God, even the "Harvard Business Review" has criticized North American management for being too preoccupied with the short-run buck and not sufficiently concerned with long-run investment.

The Tories and Liberals stand solidly behind restraining the incomes of ordinary Canadians and driving thousands more into poverty. But let any of them suggest that our captains of industry and finance may not really have the best interest of the country at heart, and they are quickly brought back into line. Faith in economic decision-making in corporate boardrooms and faith in the ability of the marketplace to get us out of this economic mess are what inform the economic thinking of the Liberals and Tories. As my Leader said when responding to the mini-budget of the Minister of Finance (Mr. Lalonde), this is 1982, not 1932; the Liberals and Tories apparently have learned precious little from the depression. They insist on dealing with the myths about private enterprise and refuse to recognize, as most European Governments and the Government of Japan have done, that societies cannot rely on raw capitalism and the law of the jungle for economic stability and growth.

If the Government is guided by an irrational faith in the ability of Canadian Pacific and the Royal Bank to pull us out of economic hard times, what is the purpose of six and five? The reason for the six and five program is political, not economic, I am sure most Liberal Members opposite are hoping that this program will save their political hides. I wish them good luck. The economy has deteriorated steadily in spite of liberal doses of fiscal and monetary restraint. Already this year we have seen more than 34,000 business and personal bankruptcies in the country, and there are now more than 1.5 million people officially unemployed across the country. Given that the Government intends, by and large, to let free enterprise take its course, allowing of course for odd Dome-style bail-outs, it needed a program which would create the illusion

### *Supplementary Retirement Benefits Act (No. 2)*

of action against the erosion of incomes of the poor and middle-income Canadians. That is what this program does. Obviously it has been in the works for some time.

Last year we learned through a document which my Leader obtained that the Government wanted the following:

A program of consultation and public relations aimed at changing public attitudes and expectations would be useful, even though the main advantage of the program would be that it would enable the Government to be seen doing something about inflation.

As we know the centrepiece for the six and five program is wage controls on Public Service incomes. Bashing unions, especially Public Service unions, is good corporate boardroom sport, and the six and five program was the kind of thing guaranteed to get the boardrooms buzzing. But even according to the Government's own assessment, wages were not the cause of inflation. Again I am quoting from the same document:

We are not currently facing wage-driven inflation such as we were in 1975, instead real wages have fallen for four consecutive years.

The Government has been conning Canadians with the six and five program. It is relying on the willingness of ordinary Canadians to share and to sacrifice in order to make things better for everyone. But that gang over there has been clever to keep under wraps the transfer of wealth from the poor to the rich which accompanies this con job. Revealing that would most certainly minimize the public relations value the Government expects to reap from this program.

While it is attacking the living standards of public servants, mothers and pensioners, the Government is pulling out all stops to sell this program as good news. Last week I received, as well as did all other Members of Parliament, an attractive promotional binder on the six and five program from the Davey-Joyal Committee. It is a clever piece of work because it avoids the charge of being partisan by avoiding mention, by name, of the Liberal Party of Canada. But in substance it is no different than the Liberal Party strategy binder that the committee distributed to Cabinet Ministers and Government Members of Parliament over the summer.

This attractive document, some 150 pages in total, goes on at length about selling the program to ordinary Canadians and enlisting support of big business. As we all know, big business is flocking to six and five like lemmings to the sea. Keeping wages down and undermining Government social programs, is just the kind of thing which gladdens the hearts of corporate generals.

**Mr. Murphy:** And of the Tories and Liberals.

**Mr. Sargeant:** Yes, the Hon. Member for Churchill is correct. Senator Davey and the Secretary of State (Mr. Joyal) are proud that they have kept their promotional budget for six and five to less than \$100,000, but for the majority of Canadians that \$100,000 might as well have been spent on potted plants for Government offices.

The Government's six and five program is a sham. It is the kind of thing that is bound to win support from the Tory benches, but we in this Party will have no part of it. It is an attack on collective bargaining rights for public servants, on