

*The Economy*

budget. These latest changes, Mr. Speaker, have caused significant concern and hardship to many Canadians, Canadians who feared that they were going to be losing their dental and health plans, as well as small business men, professionals, accountants, the retailers of the country, charitable organizations and northerners.

I should point out, Mr. Speaker, that the treatment of the northerners still is not much improved over what was in the budget. There is still a great deal of uncertainty as to what is going to happen to the people living in our north and who are suffering so much with the current economic downturn. These were proposals that hurt our economy. They caused uncertainty, they caused a tremendous amount of time lost by people fighting these proposals at a time when the economy can least afford that diversion.

I welcome this new-found sense of co-operation that the Prime Minister spoke of today in Question Period, that he will accept openly any proposals that the opposition suggests which will improve the situation. But why has the Prime Minister taken so long? Why has it taken a full year to get these changes into effect? We welcome the tax changes. We should, because we have been fighting for them for approximately 12 months alongside those people who are affected.

Last January, some 62 Members of the Conservative caucus travelled across this country meeting with Canadians from coast to coast, seeking out their concerns, seeking out their ideas as to how the situation could be improved upon, what changes should be made in the budget. We made a full presentation of this in a report that was issued some eight months ago, but it has taken all this time for the Government to come to its senses and understand the nature of the changes that were proposed last November, the impact that it was having on the social fabric of the country, as well as the economy. Why did we have to wait so long? Why were the original proposals made and why did it take such a long time to change them?

This enormous flip-flop, this incredible admission of incompetence, of lack of understanding, is not complete. There are still more changes to come. There are still more changes that we will be fighting for in committee, changes which will affect farmers, small businessmen and home owners. There is still the uncertainty because the number of changes and proposals that the Minister has made has pushed the decision out one or two years into the future. The uncertainty is still there, and if there was one message that came through loud and clear in all the hearings we have had on the budget proposals this year, it is that the uncertainties are just killing people's ability to make decisions, killing our ability to fight the recession that we are in now.

The Minister said in his speech that we have been demanding budgets every three months. We did, Mr. Speaker, and I make no apologies for that. We did, because that budget of November, 1981 was wrong. Canadians wanted a change. We wanted a change. And it has taken almost 12 months to get those final changes made. One has to ask oneself a question: do we have a new standard of ministerial responsibility being presented to the country today? We have the Deputy Prime

Minister, the author of that budget, still in the Cabinet, when the Deputy Minister of Finance has quit, when the Principal Secretary to the Cabinet, who is very much a part of that budget, has also quit. But where is the Deputy Prime Minister? He is still in his seat in the House of Commons. This in other parliamentary democracies would just not be accepted.

I would like to comment now, Mr. Speaker, on the substance of some of the presentations that the Minister made today. He talked about tight control of Government spending as being one of the answers to reducing the size of the government deficit. Those are only words. They are words we have been hearing for three years now, but they are words without any substance, because, again, in this budget, Government spending is still increasing at 20 per cent per annum, the same as it increased last year. The figures in the budget for the period from 1976 to 1982 are misleading, and I will debate that with the Minister any time he wants to debate that point. They are misleading. They are comparing apples and oranges, and Canadians are being misled by them.

I want now to discuss the impact of something that is quite within the control of the Government: Government spending on the administrative costs of departments. The minister has said there are statutory increases in spending that cannot be controlled without changing the laws. Let us look at some of the administrative costs. In the 12 largest departments of the government, the administrative costs in the estimates for 1982-83 compared to the forecast expenditures for last year are projected to increase some 17.1 per cent.

Let us look at some of these departments: Agriculture, 22.8 per cent; Employment and Immigration, 40 per cent; Indian Affairs, 14 per cent; National Health and Welfare, 32.5 per cent; Transport, some 20 per cent. That is not an indication of a government that is serious about controlling its expenditures. That is where the Government can take some action, but they have shown no indication that they understand the importance of displaying some spending control. They continue to spend money without any regard to what is going on in the country, without any regard to the fact that they have put forward a six and five program, calling on other Canadians to hold themselves to 6 per cent, but still going blithely along at 17.1 per cent.

In this budget that the Minister has just presented, unemployment insurance premiums are going to increase by 40 per cent. This is purely and simply a tax increase. It is a tax increase when it can be least afforded and it is another colossal error of the previous minister of finance in that November budget. You will recall, Mr. Speaker, the unemployment insurance premiums at that time were reduced, reduced at a time when we were facing record high unemployment, when we knew that there would be record demands on the unemployment insurance fund. If those premiums had been held level last year instead of being reduced, the shock to the economy would have been far less severe than this 40 per cent increase now, and could probably have been held to something in the 15 per cent range.