

Alleged Failure to Improve Economy

is unemployment, and that we cannot solve our problems in a climate where people are thrown out of work in the name of fighting inflation.

Mr. Cliff Downey (Battle River): Mr. Speaker, I have been interested to note that the comments in the debate today have not all been negative. As the hon. member who preceded me said, some valuable suggestions have been made. Nevertheless, it will be difficult for speakers to avoid making comments of a negative kind since the actions of the government have been such as to provoke them.

A few minutes ago the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) referred to the LIFT program and certain other programs the government has designed for the agricultural community. I say to the parliamentary secretary that if he were to calculate the reduction in cost which the government would experience by eliminating the temporary wheat reserves legislation and the costs over the years which have been incurred through PFAA payments, that is, the contribution of the government, he would find that the plans which it is implementing will result in a net saving in the long run.

It has been suggested today that there ought to be tax cuts. On the other hand, government supporters have argued that tax cuts would mean resorting to further borrowing. They sometimes laugh when we put it to them that economies could be effected. It is difficult to understand why economies cannot be made when one considers that governments in Canada are now taking 35 per cent of the tax dollar, whereas in the United States burdened by the enormous cost of the Viet Nam war, they are taking only 28 cents of the tax dollar. Australia, which has had a social reform program for some time, is taking 21 per cent of the tax dollar; and Japan, with its go-ahead economy, is taking only 16 cents. So Canada is levying the highest portion of the tax dollar, and I believe there must be something wrong when this is the case.

We have recently seen a burgeoning of government departments that is without precedent, and the government re-organization bill, if implemented, will further expand this process. I was interested to note that on March 23, in reply to a question about bringing in West Indians to work on farms, the Prime Minister (Mr. Trudeau) made this comment, as reported at page 4508 of *Hansard*:

● (9:30 p.m.)

—this is a perennial problem and it must be recognized that this is a type of work that very often students or unemployed will not do. This is why the Department of Manpower and Immigration is admitting foreign workers—

In answer to a supplementary question the Prime Minister stated:

The purpose of the Manpower centres is to send the unemployed or the students to take part in this work. But, once again, facts reveal that there are in Canada some types of work which the unemployed and the students refuse to do; this proves, by the way, that the rate of unemployment is at times somewhat artificial.

[Mr. Saltsman.]

With the vastly improved unemployment insurance schemes that are forthcoming, I believe we should turn our attention to looking after workers who are genuinely unable to find work. A system that allows foreign workers to be brought in while the unemployed of this country are paid to do nothing is in need of overhaul. This is something that the Minister of Labour (Mr. Mackasey), and only the Minister of Labour, can remedy. This situation is creating in this country the attitude on the part of people that they should be paid whether or not they work. The government is suggesting putting \$50 million into a fund so students can take trips across the country this summer. At the same time it is allowing workers to enter Canada to take up jobs that these students do not wish to do. I say this is one economy that the government could well make.

The Minister of Finance (Mr. Benson) has been berated on many occasions and, I think most of us will agree, justifiably. I was going to say that he has been acting something like a bull in a china shop in his position as Minister of Finance, but I think it would be more accurate to say that he has been acting more like a bulldog because he has hung on to his white paper in face of opposition from one end of the country to the other. He has hung on to the concept that he can screw up taxes to the point where he destroys initiative.

I suggest that one of the major causes of unemployment stems from the fact that the people have lost confidence in the government's ability to create a climate for business investment. It is this psychological depression in regard to the future of business in general that contributes to 90 per cent of the unemployment from which we are now suffering and to 90 per cent of our business failures. The Minister of Finance is asked questions every day in this chamber about these matters, but reacts as though he continually has a chip on his shoulder which of late has grown into a woodpile. I should like to see his parliamentary secretary or another member of the government—if we must continue to have this kind of government—take on the minister's job, because I think the minister has done all the damage to this country that he should be allowed to do. We can at least give some of the members on the other side the benefit of the doubt.

Another matter requiring attention and which should be mentioned a little more in the House concerns the money being spent on looking after the province of Quebec. Although they are fine people, we must start to regard the province of Quebec as equal with the other provinces in Canada.

Mr. Ricard: That is what we want, nothing else.

Mr. Downey: During the last provincial election the government now in power calculated that about \$1 billion accrued to the province from the federal treasury. I do not think we can continue to bear this burden. If they are going to stay in confederation, they must be treated as equals and receive an equal portion of the moneys flowing from the federal treasury. I suggest that this government is bribing that province because it has continued to be its power base throughout the years. Because of this bribery, an administration as ineffectual