

House approves in general the budgetary policy of the Government; and the amendment of Mr. Johnston (p. 11006).

**Mr. Steven W. Langdon (Essex-Windsor):** Mr. Speaker, it is with some trepidation that I enter this debate on yet another Budget of the Conservative Government which, rather than giving the country the change in direction for which so many people voted in September of 1984, is continuing with the same closed, unimaginative approach to our economic problems which will leave many Canadians suffering badly from the economic situation we face. This Budget reminds me of the famous book by Farley Mowat, *The Boat that Wouldn't Float*, or the book by Jimmy Breslin, *The Gang that Couldn't Shoot Straight*.

This Budget was meant, above all, to restore international confidence in our dollar. For the first time it is not only the words of the Opposition which must be taken as a measure of the success of the Budget. The Minister, albeit inadvertently I am certain, has set up an objective and clear criterion by which his Budget can and will be judged. As I tuned into *Canada AM* this morning and saw that the dollar was down yet again, I knew that the failure of this Budget and the incompetence of the Government was once again being demonstrated by the standards set by the Government itself, that is, what happens to the Canadian dollar.

It is perhaps a sign of the inexperience of the Minister that he adopted this approach and gave himself this hostage to fortune, this very clear signal which the Canadian people would be able to watch, which he promised would start to rise. Two weeks ago the Minister of Finance (Mr. Wilson) was saying that he was going to introduce a tough Budget for Canadians which would restore confidence, get the dollar back up again and, consequently, get interest rates down again.

The Minister is a good and decent man but, due to the tremendous credibility problem, he will unfortunately not be able to survive. As the dollar falls and the international financial community continues to exert pressure, the Minister will stand in the House, quote editorials, and read letters from the BCNI, but inexorably, like a clock ticking away time-bomb fashion, his Budget's credibility is being destroyed. The 69-cent dollar which we now face has been brought upon the Government by itself, not only directly by telling the House that the response to the dollar would be the criterion to watch, but by failing to understand the most basic of economic laws which affect our society.

The Government has accepted the reduction of the deficit as some kind of holy grail to be pursued at the expense of economic common sense, fairness, and the tremendous human costs which Canadians are facing today and will continue to face for the next five years as a consequence of this Budget.

● (1150)

It has been about a year and a half since an action group went across this country to hear from Canadians what they felt should be done to put our economy right. It certainly needed putting right after the disasters of the previous regime. We

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asked them how they assessed this Government's performance on economic matters in its first year in office. I want to save the souls of the poor, tragic, Government back-benchers here today, so I will not quote extensively some of the nasty comments that people pencilled in, in the margins. However, let me point out quite clearly that 94 per cent of Canadians contacted this past year said quite clearly that the Government had either done very poorly, and those were the charitable ones, or it had done extraordinarily poorly, those were the uncharitable ones, with respect to reducing unemployment, regional disparities, inequality between men and women, and reforming the tax system. There were a few good marks on consultation, but even there the vast majority said this Government pretends to consult but it does not listen. In giving fair opportunities to young people, again there is an abject record of failure.

We asked these people what their priorities were, what would they want the Government to put in this Budget. Some 90 per cent of the people who responded said that the key goal has to be the reduction of unemployment. The Government pats itself on the back because it has created, it says, 580,000 jobs. I say the Canadian people have created those 580,000 jobs. We are left with an unemployment rate of 9.8 per cent. I cannot believe there can be a single member of this House who feels that is acceptable. It is better than we were doing but it is just not acceptable. That figure of 9.8 per cent represents lost production, human misery and the virtual destruction of hope for many young people.

However, that was not the objective this Government chose to pursue in its new Budget. Instead, it chose to chase that Holy Grail, the deficit. The responses we got from people said very clearly that, of the six key goals the Government could have gone after, the great majority felt that reducing the deficit was by far the lowest priority. Not because they do not understand that the deficit has to come down. Of course it has to. Not that they do not understand that we have to stop building up massive debts for our children. They understand that. However, they also understand that the way to do that is to get people back to work, get the unemployment rate down to 6 per cent, 5 per cent, or 4 per cent so that we are not wasting billions of dollars to pay people who are not working. That is what we have to do, and we have to do it by a means other than increasing taxes by an average of \$400 per family.

I do not know about other Opposition Members, but I know that I spent this past weekend talking to dozens of people in my constituency. I talked to them by phone, through community meetings and at social affairs. Their single response to this Budget was: "They have done it to us again. They have hit middle-income people one more time." A small business person told me that the consequences are that the small business community is not going to have the demand for their products. The woman who expected to get a job as the economy started to improve is not going to succeed because of the cut-backs in consumer demand that this tax grab will cause. This Government promised to get Government off the backs of the people. Instead, it has gotten into the pockets of