

*The Budget—Mr. Baker*

**Mr. Baker:** Then of course the first week that you qualify for UIC you get a week's unemployment insurance in your first cheque. Then the following cheques you get two weeks at a time. The second and third weeks will come along and he will get a \$2 cheque. He will keep getting that \$2 as it goes along. What an outrageous thing. If he were a millionaire he would still get his UIC, would he not? It is not a pension that he is collecting. This is the Government and the Minister that take that kind of actions and stand up in this Chamber and say, "Oh, look what we have done". I can assure you of one thing, most Members in this House are going to appeal. I am sure they are going to encourage their constituents to appeal these decisions made by employment and immigration on their cheques. In other words, hopefully we will now have hundreds of appeals for people who are getting \$1 a week unemployment insurance.

The Minister and the Government probably do not realize how important an unemployment insurance cheque is. That is the size of it. Do you know that in a great many rural areas of Canada the size of your unemployment insurance cheque is a sign of your social worth? The man that can go in and cash an unemployment insurance cheque that is \$280 a week, \$550, \$600 every two weeks can take some pride in that. In most fishing areas it means that that man really fished and really worked hard. He has a big cheque and brings it to the Post Office to change, as they do in some areas, or to the banks or the local store. Can you imagine what it does to a man to walk in now with a \$1 cheque? The case of the fellow I mentioned said he was going to wait for his daughter to come out from St. John's and give her the \$1 cheque to bring it back and change it because he was too embarrassed to cash it. I have two minutes left. Mr. Speaker, in the two minutes let me say this, getting back to the Budget. The Government claims there is a problem now. After running up a deficit in this year of \$34 billion—we only talk here about billions, we don't talk in millions anymore—they claim there is a problem. After over-spending more than any serious Government ever did in the first seven months of office, they now say 17 months later, "We have got a problem". The most glaring example of that is, when this Government took over it took \$18 billion a year as payment on the national debt. Now it is \$26 billion since the Tories took over. They claim now that there is a big problem; the people are responsible, blame the people. They are saying in this Budget, we are going to go further than that, we are going to punish the people of Canada. We are going to increase their taxes, we are going to cut back on services. We are going to cut back on expenditures and increase taxes. Why? Because they claim they have got a problem. This comes from a Government that wasted \$2 billion on a bank bail-out that they could not effect properly. A mistake, a blunder, an error costing \$2 billion, and they said: "What's a billion, give or take a billion, who cares". This is a Government that sees the Prime Minister's office staff double in size. It is going to cost \$6 million this year to run it. The cost of running the Privy Council office increased by another million this year to \$11 million. The Minister's staff increased when

they took over. The Government turns around and says: "We have a problem and therefore we are going to punish the people of Canada". The people of Canada are not going to put up with this much longer.

**Mr. Penner:** Bravo!

**Mr. Deputy Speaker:** Are there any questions or comments?

**Mr. Johnson:** Mr. Speaker, I feel that I am compelled to make some comments about the remarks of Hon. Member for Gander-Twillingate (Mr. Baker), because I am sure he would not want to leave this House and the people who might be watching on television with false impressions.

I wonder if the ad that I have in my hand is the one that the Hon. Member referred to when he said that the provincial Government of Newfoundland and Labrador was taking claim for all the jobs that were created. If he is, I would say that the Hon. Member should apologize to the people here for leaving a false impression. This ad explicitly states that in 1985 the federal and provincial Governments cost-shared a \$38.5 million program under Canadian Jobs Strategy. It goes on to say that in the fall of 1985 the federal and provincial Governments cost-shared a \$9.5 million emergency fisheries response program. It concludes by saying: "Co-operative action of both orders of Government". There is nothing at all about one Government, either federal or provincial. It is both levels of Government because that is the way the Conservative Government works. It consults with the provinces and brings in programs in conjunction with them.

● (1220)

I want to refer very briefly to the fact that unemployment dropped in Newfoundland and Labrador in January of this year at a rate unequalled to that of any other province in Canada. Most of us are astounded that the unemployment rate in Newfoundland—where unemployment is still at a high and unacceptable level—could drop at a time of year when fishing is pretty well at a standstill, except for the deep sea trawlers and not much work is taking place in the logging industry. But that is a fact and the Hon. Member for Gander-Twillingate (Mr. Baker) knows that.

I detect a bitterness in the comments being made in response to the Budget by Hon. Members of the Official Opposition. In 1978, knowing full well they had to do something to curtail deficit spending, they implemented cost cutting programs. In 1979 they were defeated, but they came back in 1980 full of bitterness and began rampant spending from then on. Lots of Canadians did not realize that until the fall of 1984 because of the discussions being carried on with respect to the Constitution. The Liberal Party thought that the National Energy Program would save them but it did not bring in the revenue they expected. All of a sudden the people realized what the Liberal Party was doing with respect to spending and elected a Progressive Conservative Government. We intend to continue our policy to bring down the deficit so that we can have continued economic growth.