

The Budget—Mr. Clark

certainty if there is going to be progress by the free enterprise regimes in this Canadian economy.

The government has raised some very serious questions in its proposals, of which we have only half the bundle so far, regarding unemployment. It has indicated that it intends to make some changes regarding eligibility for unemployment insurance and has held out the prospect of some other changes yet to be specified. Frequently in this House, however, the minister responsible for providing jobs and for ensuring that Canadians will have some place to go other than to unemployment insurance has admitted that he will not have, at least until this fall, any concrete programs to present which will help people who, particularly as unemployment insurance claimants, might need to have recourse to the Unemployment Insurance Commission. I would call the attention of the government to a recommendation of an excellent agency which it all too frequently ignores, the Economic Council of Canada. This agency has made some excellent reports, but unfortunately under this government has had them dismissed and not heeded. The Economic Council of Canada, in its most recent report entitled "People and Jobs" said, in connection with the whole subject of unemployment insurance and job creation in Canada, that regulatory changes alone do not, and will not, send people back to work if there are no jobs available.

● (1630)

The greatest deficiency in the budget presented by this government on the question of jobs is that there is no attempt by public policy to encourage the private sector to create jobs, and there is no frankness, no indication that the government itself has any public programs in place which will create some kind of public employment. That is a serious failure and indicates that there is little regard, little compassion, on the part of those on the government benches for Canadians who need work and are willing to work if jobs can be found or created.

Once again, this budget introduces very real uncertainty, sir, with regard to the role and problems which provinces of this country are to face. May I refer again to the unemployment insurance program. We know that, for better or for worse, that program has been used for purposes other than its original intention, which was that of providing income support. If that program is tightened, particular if that tightening occurs without any kind of substitution of new job-creating programs, there will be imposed new policies on the provinces of Canada and that imposition will be particularly harsh on the poorer provinces which are particularly incapable of dealing with it. We have seen previously this kind of playing around with the capacities of the provinces. It is worth noting that this particular measure which will impose new financial strains on the provinces of Canada, particularly on the poorer provinces, is being introduced at a time when the government itself is introducing a certain proposal, not in the way it should, with a bill, but by sneaking it in the back door with regard to Loto Canada. That lottery, after the expiration of any obligation we might assume toward the retirement of Olympic debt, will become a federal source of revenue drawn from a field which should properly belong to the provinces.

[Mr. Clark.]

Some hon. Members: Hear, hear!

Mr. Clark: On the one hand, we have this government imposing new costs on the provinces. On the other hand, we have the government undertaking initiatives which will deprive the provinces of potential sources of revenue which ought to be theirs.

Finally, and generally, the budget contributes to uncertainty in that it is silent on the most important question facing Canadians now in terms of economic policy. There is no indication at all in the budget of the Minister of Finance as to what is to be the nature of the so-called post-control society. The government has told us that it will think about what it is going to do this summer; perhaps in the fall they will tell us what they think we should know. That, Mr. Speaker, is an unacceptable approach to public business in this country.

[Translation]

The Prime Minister seems determined to get rid of the controls the same way he established them, that is without consulting anyone—through the secret planning of an élite of technocrats in Ottawa and with the passive approval of a Liberal majority in Parliament so as to impose a new program to Canadians. That would be disastrous. The controls are not a solution by themselves. They can only give us the opportunity to look for more basic solutions which will not succeed if they are forced upon us. In such a complex country as Canada, in order that a national policy may succeed, it must have the support of the other government partners in the society. And the unions, the businessmen, the farmers and the provinces will not support any policy which they consider as irrelevant.

[English]

This budget, Mr. Speaker, simply ignores the basic economic problems of Canada. Worse than that, it undervalues the potential of this country. There are many places where we part company with this government and this budget, but there is none more fundamental than on the question of basic economic priorities. The minister's position is that as long as we continue to have inflationary pressures in our economy, we cannot seek to maximize our potential for sound economic growth. Whatever his words may be, the minister's actions make it abundantly clear that his first-line anti-inflationary policy is slow growth. Mr. Speaker, we on my side of the House completely and totally reject that proposition.

Some hon. Members: Hear, hear!

Mr. Clark: Sir, we see sound economic growth not as a contradiction to the control of inflation but as a prime requisite for the control of inflation in the long term. Indeed, sir, I have no hesitation in suggesting to you that until and unless we have a government which accepts that elementary fact, we will continue to suffer from serious economic problems in Canada.

One is tempted to ask whether the minister and his colleagues, in their understandably extraordinary effort to forget everything they said in the spring and early summer of 1974, have blinded themselves completely to what has occurred in Canada in the intervening two years. They have been years of economic stagnation on the one hand, and very high levels of inflation on the other. Do the