

glamorous surroundings it is easy to become distracted from, and less sensitive to the extreme and persistent poverty that exists in the midst of affluence and great national wealth. Having accepted that inequalities will always exist, admittedly much more so today in other countries than in Canada, we must then be concerned with the degree of inequality that exists at a given time in our history and in our nation.

This, in my opinion, has been the greatest single achievement of this year's federal budget. This is not to say that our government has done anything near the ultimate, it is not to say that the measure of intention will be equalled or surpassed by the measure of success; it is to say that this Liberal government has made a vigorous and commendable attempt to counter the forces that ever threaten the common good, the common interest and the common comfort that Canadian democracy can and should provide to all who participate in that democracy.

Of course, the official opposition, playing their traditional opposition role, have to sneer and jeer and criticize. After all, their only hope of ever assuming office is to make our best programs look like their worst ones in the eyes of the general public. The hon. member for Gander-Twillingate (Mr. Lundrigan) cannot admit that Newfoundland will this year receive in excess of \$24 million in additional tax equalization payments alone as a result of the new budget. What does he say to Newfoundlanders? What does he say to his own people? That the federal government has given up on its theme of eliminating regional disparities!

A few days ago, the same hon. member told this House that I had not been saying much about the fisheries and related unemployment and, as if to chide me a little, wondered aloud when I would be making my maiden speech. I can tell the hon. gentleman quite sincerely that what I have to say, either in this House or in public will, I hope, be a little more responsible and more informed than certain statements he has made concerning regional disparity and the unemployment situation.

Some hon. Members: Hear, hear!

Mr. Rooney: I have never in my life heard of a person getting so much mileage out of his biweekly interpretations of the unemployment statistics. I would remind the hon. member that to be unemployed at a given time and to be in need of employment are two very different situations, and sufficiently different to require explanation. I, too, have given some thought to the problem of unemployment, Mr. Speaker. In terms of those in need of work, with no acceptable alternative, an unemployment rate of 1 per cent is just as serious as an unemployment rate of 10 per cent. Bringing down the rate of unemployment a few percentage points does not alleviate the severity of the problem; it merely makes it less noticeable.

Mr. Speaker, time does not permit me to elaborate on the many unfair criticisms levelled at this budget. Let me say, however, that the opposition's reaction to the budget reminds me of the watchdog that guards his master's interests well until you find that he is only barking because he is afraid, afraid perhaps of being placed in the dog-house.

The Budget—Mr. Rooney

I should like now, in brief detail, to offer my interpretation of what the budget will mean in very real terms to the constituents of Bonavista-Trinity-Conception, to Newfoundlanders in general—not in isolation but as one small part of our great Canadian nation. Essentially, the budget is committed to increasing the real income of the burdened Canadian consumer. This means not only an increase in terms of dollars and cents but an increase relative to the cost of living and the standard of living—that their dollar will either buy more or cost less.

• (1700)

Those concerned with tax reform are pleased to learn that the basic exemption for all taxpayers has been increased to \$1,600 from \$1,500, and that the basic exemption for married couples has been increased from \$2,850 to \$3,000. The working people of my riding are happy to learn that, beginning next year, income tax will decrease to offset any increase in the cost of living. The increase in the basic rate of old age pension, the increase in the guaranteed income supplement and the increase in war veterans allowances has prompted many favourable comments from elderly and other people in the riding. With a little more complexity, the new budget elaborates on the federal government's efforts to reduce the cost of living by removing federal taxes from numerous necessities, for which I am sure Newfoundlanders will be appreciative.

This government, through the budget speech, has committed itself to a complete overhaul of our welfare system. I assume that the slight delay in this area can be attributed to the necessary negotiations which have to be completed with the provincial governments concerned, including Newfoundland. This House has already been told that these negotiations will also include the long awaited family income security plan. I understand that we can expect an announcement soon after the conclusion of these negotiations which I am told will take place in April. I am confident that, in harmony with the spirit of the budget's specific commitments in areas of total federal government responsibility, the new welfare program will also be geared to both the rising cost of living and a decent standard of living.

With respect to the family income security plan which was vetoed by the hon. member for Trinity (Mr. Hellyer), the delay in the implementation of this program has meant considerable hardship to the parents of large families in my riding.

Mr. Jamieson: The hon. member is right.

Mr. Rooney: Since Newfoundland is a province of large families and relatively low incomes, this new legislation would have meant that the average child in Newfoundland would have been eligible for payments twice as large as those paid under the present family allowance plan. This had meant a loss of nearly \$20 million per year to Newfoundland, and this loss is being borne by those who need it most. What bothers me most about the budget is the danger of our provincial government lapping up some of the benefits received from the federal government. In Newfoundland we have seen how, in mere anticipation of the—