

Routine Proceedings

I would like to go back to the issue about the rising standard of living and look at some of the presumptions in this budget, some of the goodies, the real good things in this budget, that give the Minister of Finance so much confidence in our future. There will be a mounting level of unemployment. When you fight inflation from the point of view of these people, that is good news. Increase unemployment. That relieves the pressure on inflation. That is good news. Even better news is that the average wage increases will be below the level of inflation. That is good news. When people are poor they will not buy as much and that will bring down inflation. That is all good news. This government has so much good news.

When you read the budget and consider the scenarios described in terms of making Canada more competitive, remember the mounting rate of unemployment and the decrease in the rate of increase in real wages. These are good things. It is also a good thing that there will be a decrease in the final domestic demand so we will not import as much. The good news is that we are importing machinery so that we can get our oil, coal and wood and ship it off to somebody else.

Of course, Madam Speaker, you understand that what is at issue here is that this government has absolutely refused to recognize that this country cannot compete as a low wage economy as the government would have us do. You question whether that is really what this government is thinking about. The government brags because it is only cutting back \$39 million in research and development. This is a cut-back in an already inadequate rate of expenditure. If you really want to see the commitment of this government to a shift to a manufacturing and knowledge-based economy in lieu of a resource-based economy, look at what is being done to Established Programs Financing. The EPF transfer cut-backs have already reached a level of nearly \$8 billion as a result of this budget. This has severely hurt our capacity to produce educated, creative graduates of institutions of higher learning which are necessary if this country is to shift its directions to create a high wage economy.

The Prime Minister gets up on any number of occasions and says, "Oh, my God, there has to be something done about education. We are going to take some new initiatives, we are going to have a task force. We are

going to make everything all right". It is not all right when students face higher tuitions and the universities are in scandalous shape. I point out in parenthesis here that in addition to these sharp cut-backs in university operational support, they are being hit in a variety of other ways. They are being hit with huge licensing costs for the use of radioisotopes to the extent that universities, as well as the high schools, are going to be driven to abandon an area of teaching in science that is necessary if we are going to produce educated graduates.

• (1210)

Nothing this government does seems to be consistent with any other pattern than the commitment in the free trade agreement to make us the resource pool for the United States and a target for acquisition by all the other countries in the world so long as we remain a low wage economy. It is absolutely outrageous.

Then we have what is going to happen to medicare. In Vancouver, and in Windsor particularly we have a citizens' movement that makes it possible for people who are denied critical health care and heart treatment in Canada to go to Detroit. Sixty per cent of the people cannot get into or near a hospital to have their operations, because so badly has our health system deteriorated already yet more cuts have been imposed. Again, it is an outrage.

One does not have to look at the Estimates to see that this budget is a travesty. It breaks every reasonable promise to Canadians, such as we will continue to have a high quality of life in this country.

I could go on repeating descriptions of cuts but these have been reported widely. They have been criticized widely. They have been condemned by most Canadians except those who are going to benefit and it continues to be those who are wealthy.

This government wanted to make cuts in expenditures. But it should not make them in EPF, not in welfare payments, such as the cuts in the Canada Assistance Plan at a time when the actions of the government are going to impose greater and greater burdens upon the cities and towns of this country to make up for the shortfall. It had money to waste. Just weeks ago it had government money to waste; \$161 million for Boeing, \$14 million spent to sell the GST that no one wants. It will cost the