

The Budget—Mr. Cullen

insurance numbers. He talked about attitudes in the Department of National Revenue and in various Departments. What does the Hon. Member think of the recent disclosure with respect to the use and distribution of lists by the Unemployment Insurance Commission to school authorities and school boards? What about the public disclosure of confidential social insurance numbers by officials of the Department of Employment and Immigration? I know when the Hon. Member was Minister he undertook to ensure the confidentiality of the social insurance numbers and of the information on the records of that Department. I assume he will be as distressed as I am with respect to this incident, which shows there are no safeguards.

While the Minister may dismiss this allegation as being an isolated incident, what does he think should be done in that Department to ensure there will be no recurrence of the disclosure of confidential information, particularly as it relates to the young unemployed in communities across this country?

Mr. Cullen: First, Mr. Speaker, I dissociate myself from the Hon. Member's comment that what was original was not good and what was good was not original. I will say to him that there are a lot of good ideas and I am happy to hear that he supports this Budget, at least in principle. He probably will not vote that way on second reading of some of the Bills.

This Government brings forth its ideas for debate. *The Toronto Star* is not very impressed with the Hon. Member's finance critic. We read "Whom is Crosbie kidding?", and the article suggests all of the things he is going to cut and things he is going to do. People are beginning to wonder when we will have some programs. It is not right for the Hon. Member to say that his finance critics are really putting ideas on the table which the Progressive Conservative Party has. I have not heard too many yet.

The Conservatives are opposed to the size of the deficit, and so am I. I would like to find a way to bring it down as quickly as we can without disrupting the economy. That is something upon which we have to focus.

● (1250)

In so far as social insurance numbers are concerned, I do not think they should be used for anything other than for what they were intended in the first place, which was to identify people under the unemployment insurance scheme and for tax purposes. Whether this is an isolated incident or whether there are 50 or 60 such incidents across the country, it is wrong and should be stopped. To the credit of the Minister of Employment and Immigration (Mr. Roberts), he indicated that when it was first brought to his attention he told them they were to cease and desist in this particular approach. It is wrong, and he hopes, as I do, that it is an isolated incident. Isolated or not, it should be stopped cold turkey.

Mr. Thacker: Mr. Speaker, I would like to ask the same question of the Hon. Member for Sarnia-Lambton (Mr. Cullen) as I asked the Hon. Member for Hamilton Mountain (Mr. Deans). Today the amount of tax revenue which goes to

service the debt is over 30 per cent. I think it is close to 35 per cent of revenue. That is another way of saying that people with enough money to lend to their government can do so without any risk. Therefore the rich become fabulously rich and it chips away at the middle-income class. A few years ago it was as low as 10 per cent and 20 per cent.

Given those facts, could the Hon. Member indicate where he feels that this upward trend has to stop, level off or drop back? There is no doubt that it has been rising over the last few years.

Mr. Cullen: In part the Hon. Member for Hamilton Mountain indicated that, having come through a recession and the high interest rate cycle, obviously the deficit is much higher now than anyone would like to see it. I consider it at the present time, whether it is \$31 billion or \$29 billion, to be probably barely manageable. I hope it will not go any higher; however, I think there are some cycles involved. In other words, if 12,000 Inco employees who were drawing unemployment insurance are now gainfully employed and back at work, they will not be drawing upon UI and will be paying income tax. As a result there is an improvement in the economy which will have the impact of bringing down the deficit. I would like to see that happen.

As a former Minister of Employment and Immigration, I conducted a study and endeavoured to get more funding into particular areas which I thought were appropriate. In 1945 the percentage of the GNP related to the deficit was actually higher than it is today. When I say it is barely manageable, I think I am correct in that.

Naturally I would like to see the deficit reduced. Most of us would like to see our mortgages paid off, no money owing on our cars or on the furniture in our homes. Thank God a social economic net was in place over the last four years. Given that fact and weighing it against the size of the present deficit, I can live with it; but we have to make every effort possible to bring down the deficit as quickly as we can without being disruptive.

My problem is how we go about it and where we cut. We are not talking about cutting old age pensions or the guaranteed income supplement. It may be in the area of unemployment insurance where we are now paying 60 per cent rather than 66 and two-thirds. Perhaps that should be dropped a little and we could save a bit in that area. However, I think we all owe it to find some areas where we could make significant cuts in order to bring down the deficit. Of course, a strong economy will work faster than anything because people will be working, paying their way and paying their income tax, and we will be able to afford that which we have in place. Hopefully single women over age 55 will be helped. I think they are the forgotten people. If I had a focus, it would be on single women over 55 years of age. They should be helped the next time we have funding available to make such a social move.

Mr. Riis: Mr. Speaker, I have a double-barrelled question for the Hon. Member. It concerns his comment that the Budget would certainly assist Canadians and get the recovery