

*Government Orders*

If he had the answers, if he had been responsible, if he knew how to create jobs, if he knew how to cut back on unemployment, today is the time that he would do it and we are not seeing it being done.

We have had several budgets. We had a budget last year from the Minister of Finance in which he predicted that unemployment was going to increase, and he introduced certain measures without any effect. The rate continued to rise. He has now come forward with another budget with no real solutions. His solution, the solution of this Conservative government is very similar to the solution of other Conservative governments in the world, the governments of Ronald Reagan in the United States and Margaret Thatcher in Britain, which is a hands-off, *laissez-faire* approach to the economy, that everything will right itself and that if you leave it alone it will take care of itself. Well, that has never been the case in this particular country.

In Canada we have always had a mixed economy, a good balance between the public sector and the private sector. The private sector thrived under those circumstances. The public sector contributed to education, to training, to public infrastructures such as transportation, ports, railways, communications and other things that are necessary, helped the private sector do its job. The greatest eras of prosperity that we had in this country were during those periods of Liberal government when there was a mixed economy.

It is true that we had problems from time to time, but when we had those problems we did not take a hands-off attitude or a hands-off approach, we intervened.

While this recession is taking place, what does the government do in the budget? It cuts the training program by \$100 million, it cuts transfers to the provinces for post-secondary education, it makes cuts in health care, VIA Rail, and so on. These are the very things you do not cut during a recession.

The government argues that because we have a huge deficit in this country, there must be cuts if we are going to prevent an additional burden on our grandchildren and our great-grandchildren. There are some things that cutting will only contribute to the deficit because you cut back on your capacity to produce. Cutting back on training and education short-changes the future with

respect to trained workers and trained professionals able to produce the wealth that is required to give us a prosperous economy.

It is very shortsighted for governments to cut back on training and education, and it is very short sighted to do that during a period of recession. By doing that the government simply sabotages our capacity to produce more down the line in the years to come. That is a silly approach to dealing with the deficit, it makes the deficit worse rather than better.

• (1300 )

Up until now I have spoken generally about the recession that is now with us. I would like to talk about Montreal, the city I come from, which has been hit particularly hard by the recession.

Montreal now has the highest unemployment rate of any municipal area in Canada. That is a new record for Montreal. The unemployment rate in Montreal is now higher than any of the great cities in the Atlantic provinces, which always in these kinds of times had higher unemployment rates. Montreal has the highest unemployment rate of any city in Canada and it has the highest poverty rate of any city of Canada.

Recent studies have indicated that one out of four individuals in Montreal live below the poverty line and that there are 290,000 more individuals in Montreal living below the poverty line than in all four Atlantic provinces. That is a serious, serious situation and should be dealt with.

This week I put a question to the Minister of Finance, asking if he would bring in a joint development program with the city of Montreal and the province of Quebec to do something about this disastrous situation. He said they were already doing things. Well, the things they are already doing are peripheral, marginal, and they are not really attacking the core of the problem.

What I would like to see for Montreal is a type of development program that we have for Atlantic Canada, ACOA, or that the government has for northern Ontario or for western Canada with the Western Diversification Program. Montreal needs a special institutionalized program at this time to turn around the situation in that city because major industries have closed.