

The Budget—Mr. Nystrom

going to be hit. He is not going to be able to pass it on as readily.

● (2110)

Again, Mr. Speaker, it is absurd because once you make \$8,500 a year or more your contributions to the UIC do not rise—they have reached the ceiling. So this again is a very regressive way of taxing the ordinary working people whereby those making more than \$8,500 do not face increased premiums. But for anyone earning under \$8,500 the premiums form a larger share of their incomes. This is nothing more and nothing less than a disguised tax on the working people of Canada. It is a means of getting more revenue to rescue the unemployment insurance fund and, on top of that, one thing that worries me is that we are moving away from the 4 per cent rate as the special rate for unemployment insurance. Does this mean the government has given up on getting unemployment down to a 4 per cent rate? Does it mean that it will accept an unemployment rate of 5.3 per cent or 6 per cent, which is what the average will probably be in a year or two in this country?

It also means that in the future—at least in the next four or five years—the government is probably going to get out of paying anything at all into the unemployment insurance fund if the unemployment rate keeps going up as it is today.

It is no wonder that the Postmaster General (Mr. Mackasey), who is very interested in the present unemployment insurance plan, accidentally got up and left the House when the Minister of Finance reached this part of his speech in the budget presentation on Monday night. I hope that all of us in the House will hear an address by the Postmaster General in the budget debate, and I hope he will be speaking on the changes to the Unemployment Insurance Act as announced in the budget brought down on Monday night. I am sure it will be interesting to know what is going on in the mind of the Postmaster General as he sees the unemployment insurance plan changed and bastardized in the way that happened to it here in the House on Monday evening.

Another area of concern to me is what the government has done in the matter of health care. Health care is one of the most important areas about which all of us must be concerned. As parliamentarians we should be trying to place as much money as possible into preventive medicine, into curing diseases which are presently incurable, into research to help the disabled, and into making sure that those who are poor receive the best medical treatment without having to worry about cost. They should not have to worry about where the dollars are going to come from to pay for the drugs and treatment they need.

As parliamentarians we should be working with the provinces to make sure we have medicare, to make sure we have pharmacare, to make sure that there is a lot of research being done to find a cure for cancer and to find cures for other diseases. But it is clear from the speech of the minister on Monday night that the federal government has given notice of its intention to cut back on its contribution to hospital and medical care.

What does it mean? Perhaps it does not mean a great deal in the Province of Ontario, or in the Province of

[Mr. Nystrom.]

Alberta or British Columbia, our wealthier provinces. But what does it mean in the Atlantic provinces, or in Manitoba or Saskatchewan if the agricultural economy goes into a slump? It means that a great deal more money from our provincial treasuries will have to go into medicare, into health, in order to keep the standards of those provinces up to the national standard.

What it means is that in Newfoundland, New Brunswick, and a few other provinces over the next few years the standard of medical care is going to go down. It will go down in the poorest provinces of our country, again hitting hardest those people least able to afford to pay.

If any province decides to fill up the gap it will probably have to impose fees; it will probably have to increase its premiums for hospital and medical coverage. It will probably have to cut back plans to expand medical facilities planned today. This again is hitting at the ordinary people, those who can least afford to pay.

When one goes over all the things that have happened, one finds there is one thing the Minister of Finance has done again. It is something he always does in his budgets, that is, give more to the corporations in this country. He is giving them an investment tax credit, which I am sure makes Liberal members happy and I know it makes one member back there very pleased. He is also giving greater concessions to the resource companies to explore and develop our resources in Canada.

I believe the budget should have done two or three things radically different if it were to have any real impact for the benefit of the Canadian people. First of all I believe that in the short term the government should have put a lot more money into housing. Some of the provinces have called for a billion dollars to go into the housing market. If that much money—or nearly that much money—had been injected into housing the minister would have created a lot of jobs on the houses to be built. He would have created jobs in B.C., Quebec and New Brunswick where the forest industries are, where the people who belong to the IWA are being laid off because there is not enough housing or construction going on in Canada today.

He would have provided jobs in every industry connected with those things which go into a house, the furniture industry, the steel industry, everything that goes into a house. There is no quicker way to stimulate the economy than to build houses in Canada, and this is something we could do if the government had a different set of priorities.

Second, I believe the government should have allowed a tax cut in the budget for low income earners. People with low incomes need the money. They would have spent the money; as they purchased consumer goods they would have created jobs. As they bought the things they need they would at the same time have stimulated the economy. Again, we would have suffered less of an aggravation to the unemployment rate.

It is time we in this country started to think of the fundamental and basic questions about where we are going. I am concerned that we are not an independent country and I believe the government through its budgets, through its Throne Speeches, through its legislation must place an emphasis on gaining control over our economy.