

Borrowing Authority Act

stated clearly in the Minutes that for every 1 per cent that unemployment drops, the deficit comes down \$2 billion.

Mr. Gauthier: That is the bank bail-outs.

Mr. Rodriguez: The Hon. Member says that that is one bank bail-out—or two banks, but what is \$1 billion for a bank these days? This Government did not attack the unemployment problem. It should have targeted unemployment and set up a goal that by 1990 unemployment will be down to 4 per cent. If it had done that and then had worked on the economy, it could have in fact lowered the deficit. No one here blames the Conservatives for causing the deficit. In 1981, the Liberals projected a deficit of some \$10.5 billion, but there was a deliberately engineered recession which blew the deficit right up to \$24 billion. That was deliberate and we have all the quotes of the former Prime Minister, Mr. Trudeau, who said: "If you think 6 per cent unemployment is high, just watch me". He said: "It's still possible to scare the hell out of people in this country with higher unemployment rates".

Mr. Dick: He did not say that.

Mr. Rodriguez: We know it was deliberately engineered to fight inflation and whatever else, but having aggravated the deficit, the Government of the day also aggravated unemployment. I would expect that Conservative Members coming in with a new view would surely recognize that the real problem in society, the human problem, is unemployment and that they would have attacked unemployment levels. However, not only did they attack ordinary taxpayers, they proceeded to cut back expenditures in areas which are very important to certain regions of the country. They cut back expenditures in the Department of Regional Industrial Expansion, which affects areas such as northern Ontario, Atlantic Canada, northern British Columbia and parts of Quebec. Those areas of the country depend on the programs of that particular Department to diversify their economic bases. I know that because my region is involved in that type of process. The cut-backs in health and welfare programs and in transfer payments to the provinces will exacerbate the problems with medicare in our provinces. That means the provinces will have to go to their taxpayers for help, and they are the same taxpayers to which the federal Government goes when it needs help. It seems to me that this double-whammy with which ordinary Canadians are being hit in terms of tax increases and cut-backs in services is not the way to go about the process.

● (1540)

We have tried to give the Government advice, but it has not listened to us. Members of the Government did not attend the Dialogue 86 conference of the CLC at which they could have had some input. They did not ask for input from the working class people, not did they ask for input from members of the NDP. They have not listened to us when we have told them that unemployment has to be brought down and that that should be the focus of the Budget.

We have also told the Government that the tax system has to be overhauled. That is why we set up our Tax Probe 86 and sent an open letter to the Minister of Finance. In that letter we outlined some immediate steps which he could have taken which would have brought him a harvest of money with which to attack his deficit. However, the Government did not listen to us. It did not listen to the working class people. It listened to its friends in the boardrooms of the nation. This is a corporate Government and so it brings down a corporate Budget.

Yesterday, we saw the chickens departing the roost from the world money markets and from the stock exchanges. The monied friends of Government are deserting it. Perhaps we do not know what will happen next; but we do know that they still have to borrow money, which can only exacerbate the deficit.

In the one-half minute I have remaining I would like to say that the Budget as I read it that evening, this fairy-tale which I read, is based on some rather flimsy premises. One is that we will have average interest rates of 9.5 per cent in 1986. Another is that the price of oil will be \$22 a barrel. The chances of that happening at this point in time are very slim.

Mrs. Maily: Remember the last time when you were wrong?

Mr. Rodriguez: I said that the chances are very slim. The type of smoke and mirrors which we see in this Budget could very well disappear with the morning dew.

The Acting Speaker (Mr. Paproski): Are there questions or comments? The Hon. Member for Gatineau (Mrs. Maily).

Mrs. Maily: Mr. Speaker, the Hon. Member for Nickel Belt (Mr. Rodriguez) is always good for entertainment. We can always laugh and enjoy ourselves when he speaks. However, if people were to pay attention to the half truths, exaggerations and hyperbole which he uses in his speeches then there would be tragic results.

The Hon. Member makes a comparison between how much money is brought into the Treasury as a result of taxes paid by individuals versus taxes paid by corporations. He comes to the conclusion that, because the figure is higher for individuals as opposed to corporations, that is a result of some sort of heartlessness on the part of the Government. He knows very well that if there were no companies there would be no jobs. If there are no jobs then people would not have any money with which to buy food. They would not have any money for housing or for anything else. Why does he keep throwing around this simplistic socialist garbage which says that companies are bad and people are good when it does not work at all that way and he knows it? He is too intelligent a person to keep throwing out this stuff time after time after time.

He also knows full well that when we announced our last Budget his Party was talking in terms of targeting unemployment. In terms of job creation we went well beyond any targets suggested by members of the New Democratic Party. We have created 580,000 jobs since September, 1984. The target with which members of his Party came up was something in the