lay-offs, there is no major saving. There will be complications. If anything there will be increased costs, probably taken from the social services or paid for by raising taxes or increasing the deficit.

The New Democrats do not believe in deficits. They do not think there are any costs. They would rather print money and see our dollar go down to 50 cents and battle those problems like Brazil and Mexico with their high inflations. If you keep increasing deficits, confidence in our country goes downhill. What happens? Interest rates go up because you try to maintain and bring in dollars that you need or you print more money. That is the answer. If you print more money then the rest of the world says the Canadian dollar is not worth 78 cents but only 50 cents. What happened to Mexico and Brazil when they started printing money when they did not have the ability to provide the cost of their services? Inflation skyrocketed. Canada does not want to be that kind of a country. Canadians will re-elect this Government because they know we are the only ones capable of financially running the country properly.

[*Translation*]

The Acting Speaker (Mrs. Champagne): The question and comment period has now expired. The Hon. Member for Eglington—Lawrence (Mr. de Corneille).

[*English*]

Mr. Roland de Corneille (Eglinton—Lawrence): Madam Speaker, today we are being asked to debate the resolution that this House approves in general the budgetary policy of the Government. That is something I cannot do. I certainly cannot approve of this Government's Budget. We cannot approve of the Budget because we have grave problems in Canada, many are fundamental and systemic and the Government is doing nothing in the Budget to deal with them. Let me sum them up.

First, poverty in Canada is worse than it was before the recession in 1981. Heavy new taxes have been laid upon Canadians. We have regressive and hidden taxes in the form of ongoing sales taxes and hidden taxes which the Government has imposed on people since the Conservatives came to power in 1984. We have increased public debt through huge annual deficits. Though the Conservatives claim they are so concerned about the deficit, our public debt has skyrocketed. There is a drop in real earnings for average Canadians. After taking into account inflation, one finds that the real earnings of Canadians have gone down since the Government came to power and the Government brought in a budget that has not dealt with any of these issues. It has not mentioned them in the debate.

This is not a commentary of mine as a person or as an individual, or even as critic of the Official Opposition, the Liberal Party, which I represent in speaking today. It is rather an opinion expressed by those who are involved in the financial world. It was expressed over television and radio the night of the Budget, that it was a do nothing budget. Not only did the media make this comment, but leaders of the business world commenting on the Budget made the assessment that it is a do nothing Budget. It fits in well with the philosophy of the Tories.

The Tory approach to the economy, in fact to government, is a *laissez-faire* approach. It is an approach that says "do not rock the boat; we have set into motion a situation that is advantageous to certain special interest groups. Do not intervene. Do not do anything that will cause any effect on the economy. Let market forces bring about their own results. Let the market forces operate. Then as a result of the values that will come to certain segments of our population there will be a trickle down of benefits to those who are less well off and eventually those down the line will get the benefit of our approach". That is Tory philosophy, Madam Speaker, and this Budget is a perfect reflection of it. It is a non-managerial approach. It is an approach that serves special interest groups.

I would like to expand on the points I have made. There is a lack of action concerning the anticipated fall-outs that will come from the so-called Mulroney-Reagan agreement on free trade. First, we have poverty. I mentioned that nothing is being done about poverty. To be poor in Canada is to have unequal access to housing, education and training, day care, legal services, credit and health care. Most poor Canadians include all welfare recipients, almost all minimum wage workers, the majority of unattached elderly persons and single parent families led by women. These constitute a group of people who are living below the poverty line. They are in poverty. They live on incomes that are hundreds and sometimes even thousands of dollars below the established poverty line. This Government, in this Budget, has not addressed itself to that fundamental systemic problem. Poverty is worse now than it was seven years ago.

• (1150)

These figures were taken from materials given to us and studies made by the National Council of Welfare in Ottawa and by the Canadian Council of Social Development. These statistics are alarming. Yet we do not hear any outcry or concern on the part of Tory back-benchers or Ministers of the Crown. These figures are there for anyone to see, yet they are unwilling to bring them forward, study them and report on what should be done.

These figures state that in 1986, some 3.7 million Canadians lived below the poverty line. That is 14.9 per cent of the population, almost 15 per cent of all Canadians. More than 34 per cent of unattached individuals were poor last year. Over one million children under age 16 lived in poverty. Nearly 57 per cent of poor Canadians were female while 51 per cent of the general population is female. More than half of single-parent families headed by women are poor. The risk of poverty is one in seven for all persons, one in eight for families, one in three for unattached individuals and one in two for single-parent families headed by women.

Finally, the number of Canadians living below the poverty line went from 3,475,000 in 1980 up to 4,214,000 in 1984 but