

*Government Orders*

There are cuts in the native program, some of the poorest people in the country, perhaps in some ways poorer than the urban jobless, a \$160 million cut.

Grants, international assistance, \$642 million cut in these two and a quarter years.

Canadian regional subsidies, industrial subsidies, transportation subsidies, cut \$523 million. Again that means cuts primarily on people employed by others, self-employed or some of the very smallest employers.

The green plan, the third cut in two years, \$172 million.

Agriculture, we have just heard from my colleague from Saskatchewan what is happening to the farmers. We know that 20,000 farm families have lost their farms in the last five years and their income was down this year 30 per cent. But the government will cut \$80 million from their support grants.

Culture, a good many struggling artists and authors such as those in Trinity—Spadina, the cuts there are \$80 million.

Defence, there is a cut of nearly a billion over these three years, but that is only in the operating account. There are no cuts in the capital account. We will come to that.

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The departments generally will partly reduce service to the public and partly steal the wage raise that this government contracted to give to the employees as one of the terms of settlement of its union dispute and settlement of the strike. All in all, the governments says it will save \$7.815 billion in the next two and a quarter years.

What will the government do with it? It plans to spend a little over \$2 billion on what it calls investing in growth. Who will it invest it in? Small business employment, investment program, unemployment insurance relief program for new jobs. About \$.5 billion will be spent by this government paying the unemployment insurance premiums that small business employers will not have to pay for new business start-ups or for new employees. The employees will pay but the owners will not.

Temporary small business investment tax credit, small business financing program, changes to the Small Businesses Loans Act and incentives for investments, investing in prosperity, future initiatives and so on, assistance

to small oil and gas companies, tariff reductions, about \$400 million, which is not very much. I do not begrudge it to small business, provided the workers are being treated equally and fairly. It is small even to the small business community, which has the highest rate of bankruptcy that we have known in Canada.

There are program measures, infrastructure. Half a billion over two and a quarter years will build a few roads and bridges and so on. It will make a few contractors wealthy and it will pay a few wages.

Sectoral training initiatives total about \$80 million over those two years and developmental uses plan, \$600 million, which is a total of \$2.2 billion, a long way short of the \$7.8 billion that they are cutting mainly, as I said, from people on wages, on salaries or on no wage, no salary but less unemployment insurance or perhaps no unemployment insurance and perhaps no welfare, considering how the government is cutting its share of the welfare contributions.

What is it doing? Is it lowering the deficit? We have got this strange situation where just last February the government predicted that at the end of this year the deficit would be \$27.5 billion, reduced. Now it is going to be \$34 billion. Next year, instead of \$22 billion it will be \$32 billion, \$10 billion higher. Why, when the expenditures are cut mainly from the lowest workers, is the government falling short?

It is because its trickle-down theory does not work. Taking it from the poorest, pouring it into the top, so that a little wee bit comes back to the poorest some day, is not working. Money taken from the poorest means they buy less food, less clothing, less housing. They spend less on everything. The stores go broke, the factories close, the service industries go broke, the unemployed cannot pay much taxes and the government loses its revenue. That is where it is losing because of its own stupid trickle-down policies.

The money given to the owners of capital is supposed to make jobs. That is the fairy tale we have been hearing. It does not do it, clearly, or we would not have reverted to 1.5 million officially unemployed. Some of it goes offshore to tax shelters and tax loopholes. Some of it goes to high return overseas investments, but does not make jobs in Canada. Some of it goes to land speculation, boosting the price of housing and industry and commerce in Toronto and cities like that. Some of it goes to expensive military equipment. We have all heard about the Pentagon's \$400 hammers and \$500 toilet