## The Budget-Mr. Mackasey

**Mr. Mackasey:** What will happen? We will come out of this recession the moment we get rid of the gloom and doom which prevails in the opposition.

Some hon. Members: Hear, hear!

Mr. Mackasey: The hon. member is one of my close friends for whom I have great admiration. I think he does care. This country cannot forget the fact that we are one of the greatest, wealthiest countries in the world today, despite the fact that we have a 10 per cent unemployment rate. Let us look at it in another way. Nine people out of ten in the work force are working. Our unemployment insurance is supplying an income for healthy, well-educated, articulate workers who are out of work through no fault of their own. I laugh when I hear people speaking like the hon, member who just left, about the huge deficit in the unemployment insurance fund. That fund belongs to the workers of this country and their employers, and to no one else. No matter how many times the federal government has reached in to steal a little more, it is still viable, desirable, and progressive legislation. The Liberal Party did nothing in last night's budget to minimize, destroy or curtail any of the basic social policies with which this government is proud to be associated. That is significant, because the temptations are there.

I am neither pleased nor happy that we have had to deindex the tax brackets to protect incomes. One of the problems in fighting inflation today, as opposed to 20 years ago, is that we have built so many regulators into the economy that they do not react quite as swifty to supply and demand as they once did. I am not suggesting that we should destroy those regulators. Those of us who have studied the hungry thirties know that textile workers would work for 90 cents a day in Montreal, but people would come along and offer to work for 85 cents a day if they could have the job. People remember that in the west one could not receive welfare if one had a radio in one's house. One certainly could not get help in Manitoba if one had a driver's licence, and God help the unemployed on welfare who was not a worker. The whole puritan ethic was that a man must work by the sweat of his brow. One could not get any kind of relief without putting in any kind of backbreaking work, such as digging ditches, so that someone else could fill them. We do not want to go back to those days, nor do we as a government want to put our head in the sand and turn our backs on those people out there for whom we should show the greatest sympathy, those who have been the victims of the war against inflation.

I listened to the critic for external affairs and I suspect he does better in that field than in the field of finance. When he spoke, he did not suggest one positive step. His whole speech was meant to attack the personality of the minister, who has done more for the poor of Cape Breton than the hon. gentleman will ever do or ever did when he was minister of finance in Newfoundland.

Some hon. Members: Hear, hear!

Mr. Mackasey: People who protest too much have guilty consciences at times, and perhaps the hon. gentleman is

concerned that he left nothing of distinction when he served in the House. This minister has. Nobody can erase the history books.

• (1750)

Last night the minister asked for the co-operation not just of those in the House, but of Canadians from coast to coast, those who by good fortune, accident or design have not so far had to share any of the burden in our determined effort to bring inflation down to 6 or 7 per cent. That is not new. That has been the history of the fight against inflation for decades. That is why economists like Thurow who study history remind us that there are winners and there are losers. If we do not get inflation down from double-digit figures, at the time when the world recovery commences and our partners start nibbling for our copper, zinc, lead and lumber in competition with the Americans, the Australians and many others, if we have to build into our price the 12 per cent inflation, we are not going to recover. We will not recover nearly as fast as we would if we got inflation down to a reasonable level.

If you did not care for the less fortunate and were not prepared to share the burden with the unemployed, those on fixed income and those who traditionally suffer from inflation, such as the businessman, the farmer and the fishermen, it would make only common sense to care, if we are to maintain the standard of excellence and standard of living for which this country is famous.

I do not intend to run over my time. I believe that Canadians, to a much greater degree than members of the opposition and some members of the press think, understand what we are trying to say. They understand what the minister and the Prime Minister (Mr. Trudeau) are saying.

This country was built on sharing. There is nothing new or novel about asking Canadians to share the risk and pool their resources. This is why Canada is the greatest country in the world. This is why we have been able to develop our own language policy, culture, traditions and distinct way of life side by side with the United States. This is why we are distinct in every way, shape and form from our best friends. Somehow Canadians have always met the challenge.

One of our problems is that there has been no national dream, no building of our railroads, no building of our seaway, nothing to unite us. There has been nothing to make us forget those things that normally disturb people in a country so vast and with such regional differences.

Perhaps it is a bit simplistic on my part, naive I suppose, to think that Canadians may be prepared to get together this time and over the next six months or year to unite in the fight against inflation. When we look at it this time, let us have the courage to do those things we need to do to insulate us from the influences of other countries in the future.

Young Canadians understand that, those who will be pouring out this month from our universities, CEGEPs and high schools. New Canadians, perhaps first generation Canadians in many ways, want to roll up their sleeves and do things.