

Borrowing Authority Act

far to the right they fell into the Don Valley, which was to my benefit—

Some hon. Members: Hear, hear!

Mr. Rae: —have been attacking and criticizing the government because of the size of the deficit. They have been saying that the days of deficit spending have to end. In a speech given by the hon. member for York-Simcoe (Mr. Stevens) which I read this morning, he brought forward countless examples of misspending and mismanagement by the government. But, Mr. Speaker, we have to say to the members of the party to our right that they cannot have it both ways. They cannot criticize the government for deficit spending and at the same time make a proposal with respect to income tax benefits to be given on mortgage payments. This would result in a fiscal deficit far larger than the one which is currently being undertaken by the government of this country.

Some hon. Members: Hear, hear!

Mr. Rae: So I say that the criticism coming from the hon. member for York-Simcoe and indeed from the Leader of the Opposition is hypocritical.

Some hon. Members: Hear, hear!

Mr. Rae: And if it is not hypocritical, and if the members of the Conservative party to my right are serious about reducing government spending in the way they are talking about, let them go to the people of Canada and tell them what social programs will be cut, because Canadians will be interested in knowing what those cuts are. When the hon. member for York-Simcoe speaks about reducing spending and changing the whole philosophy and strategy of government spending, as a citizen of this country I want to know what they will cut next, because I think that is of concern to Canadians.

Some hon. Members: Hear, hear!

Mr. Paproski: Now start on the Liberals.

Mr. Rae: Do not worry, everyone will get their turn.

Some hon. Members: Oh, oh!

Mr. Rae: The fact of the matter is that it is pre-Keynesian economics coming from the Liberal party opposite and it is pre-Cambrian economics coming from the Conservative party to my right.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Rae: This is no longer possible at a time when there are one million Canadians out of work, it is no longer possible at a time when our economy is working at far less than its capacity, and it is no longer time for a party to talk about balancing a budget within a year or two. That is fiscally ridiculous and economically irresponsible. It is talking out of both sides of one's mouth at once, and it will not work. The Canadian public

[Mr. Rae.]

wants to know. We have a right to ask the government, and we have a right to ask the opposition, about their income maintenance programs. Will they be cut? If so, which ones will be cut? Is it going to be unemployment insurance, the pension plan or old age security? These are the sources of expenditure that provide for the maintenance of income of a great many Canadians. If they are going to be cut, please let us know before the next election which ones it is intended to do away with.

● (1602)

We have to accept the fact that we have an economy where deficit spending will be with us for some time because of the fact that we have one million unemployed. We have to stimulate the economy. Therefore, we must look very carefully at what kinds of strategies and proposals a government or a potential government is putting forward.

The Canadian people are entitled to know that there has been no commitment from either of the larger parties to the concept of public spending. There has been no defence of the concept of public spending from any cabinet minister or any Conservative member to my right. It is time that someone had the courage to say that, unless we have a decently high level of public spending, we will have no pensions or unemployment insurance, and no government intervention in the economy to protect us from the malefactors of great wealth.

An hon. Member: No medicare.

Mr. Rae: As my friend points out, we will have no medicare. Canadians are entitled to know that. I would like to see one minister of the Crown with the courage to say to this House and the people of Canada that this is what they have done and they are proud of having done it, instead of having put it forward and then run away from it.

Mr. Paproski: Wait until your father hears this speech.

Mr. Rae: My father has heard this speech many times. It raises serious questions about the state of our economy and what strategy a government is going to put forward to deal with the economic problems faced by this country.

Cabinet ministers accuse the New Democratic Party of running down the country and having no confidence in the future of Canada. That is the opposite of the truth. We no longer have confidence, and we never did have confidence, in the Liberal party. However, we do not make the mistake of members opposite by identifying the future of Canada with the future of the Liberal party. If I could use technical language, we see there being a negative correlation between the two.

Some hon. Members: Hear, hear!

Mr. Rae: It is because we as social democrats are optimistic about this country and its potential that we are so concerned with the tragedy of unemployment and the difficulties being faced by many Canadians.