

Restraint of Government Expenditures

to share the burden. I suggest, however, that each time this government begins a new war on inflation the casualties are invariably the less well off and the unemployed. The same can be said each time the government embarks on a phony expenditure restraint program.

● (2040)

While I am talking about unemployment, Mr. Speaker—and this is in keeping with Bill C-19—I might add that in my opinion one of the reasons why the Parti Quebecois swept into power in the province of Quebec is because of that large group between age 18 and 24 or 25 in which there is very high unemployment in that province. These young people, whether separatists or not, were getting damn fed up with a government that was insensitive about providing jobs for them. This is one thing I would say to members opposite, that unless they can cope with the problem of unemployment they will be turfed out just as Mr. Bourassa was a week ago Monday.

Some hon. Members: Hear, hear!

Mr. Blackburn: Inflation is an important issue too, but you cannot fight inflation and totally ignore unemployment. These young people particularly will not tolerate this kind of nonsense from any government at any level.

I have said that the main aim of the bill is to attract those who hold the opinion that any kind of government spending is the prime cause of our economic ills. I suggest this myth has been fostered by the business community and accepted by many individuals. Take, for example, social assistance payments, since indexing the family allowance is included in Bill C-19. Many people who are above the poverty line seem to think that their hard earned tax dollars are wasted on transfer payments and social assistance payments in general. The common complaint is that these expenditures are not productive. From a strictly economic point of view, nothing could be further from the truth. With respect to the family allowance program, the government claimed last year that it would cost little more than \$2 billion. This amount would work through the economy in the purchase of goods and services. As well, because the allowances are not tax deductible, \$600 million of the \$2 billion would end up right back in the public purse. Were these programs not available the economic costs to the community would be disastrous.

I can recall in the 1968 election—when I lost and when the Prime Minister (Mr. Trudeau) was at the height of his popularity—there was a strike in a large industry in my constituency which by election day had lasted ten weeks. I went from store to store along Dalhousie Street and Colbourne Street in Brantford. In one shop where I introduced myself as the New Democratic Party candidate for Brant the owner told me that it was my party that was ruining the country. The Massey strike meant a quarter million dollar payroll was lost to the local business community. I pointed out that the men and women on strike felt they deserved more money but that every day they were on strike they were losing money. I told the shopkeeper that, if they did not get an increase in pay, less

[Mr. Blackburn.]

dollars would be going through his cash register. When he thought it over I think he realized it was not necessarily a bad thing.

Most of the money that comes from the factory workers and farmers and ordinary people in my constituency and across the country goes into the local economy. It is not spread around the large metropolitan areas. Nonetheless the public remains uneasy about deficit financing and the attacks by everyone from Earle McLaughlin, the Royal Bank Chairman, to the leader of the official opposition seemed to have had some effect on the government in the past few months. Unfortunately this backlash has taken hold and governments at all levels have acted, usually to the detriment of society as a whole.

We have seen hospitals closed in the province of Ontario, medical research grants cut back in Ottawa, and a tightening up of the unemployment insurance program. All these programs have served us well in the past but now the government makes them a convenient scapegoat. This is the tightening up. People in public life, whether on boards of education, town councils, members of parliament or of provincial legislatures react to the mood of the populace. We want to race with the mob and very often we do not have the courage to speak out for our own convictions. We do not have the courage to speak out for some of the good things our country has accomplished through successive governments for average and ordinary people.

There are some in society, of course, who say we have gone too far. I have no more courage than any one else in this House, but I am proud that my party has had a tremendous influence on both Liberals and Conservatives federally and provincially in the area of wise government expenditures to benefit people who in most cases do not have the ability, physically or mentally, to make it as the capitalist has made it. As members of parliament, as businessmen, as teachers and so on, we have to be prepared to spend money out of our own pockets to make this a more egalitarian society—not a society of equals but a more egalitarian society.

Before concluding, Mr. Speaker, I want to make brief mention of the most serious problem the country faces currently and the way our whole nation is in an uproar from time to time about government expenditures.

Our current level of unemployment is higher than it has been in 15 years. As other members have pointed out, because of this our national economy last year lost more than \$6 billion worth of goods and services. This enormous unemployment rate has also reduced tax revenues by a substantial amount. I am sure that the government realizes the gains to be had by either introducing a tax cut or increasing government expenditures. Yet to date no action has been taken to reduce our high level of unemployment. We ask why, Mr. Speaker? I suggest the reason was best summed up in an article written some weeks ago in the *Ottawa Citizen* by Ben Malkin. He stated that only government spending could deal with unemployment and that government spending faces a mental block—that for some mysterious reason government spending on jobs evokes a