

The Budget—Mr. Fox

I am not too sure if the colleagues of the hon. Minister of Employment and Immigration were quite as forthcoming in the last election campaign to mention the type of record levels of employment created in the country over the past few years by his predecessors.

In his budget the Minister of Finance said the following:

More than 135,000 of the new jobs were in the manufacturing sector.

Then he looks to the future, the future for which he and his colleague, the Minister of Employment and Immigration, are responsible. He said the following:

Our prospects for 1980 are clouded by the recession which now appears to be under way in the United States . . . This means that fewer jobs will be created in Canada in 1980 . . . and that our unemployment rate is likely to increase to about 8¼ per cent.

Well, that is the Minister of Finance. He is looking back and says that there has been a great record of employment creation in the country, not to mention that it was done under the previous administration. Then he looks forward, into the future. He is responsible. He has the economic tools in his hand. It is up to him to try to stimulate the economy in a period of time when interest rates prevent the private sector from doing so, in a period of time when the recession in the United States also prevents the private sector from doing so. But, what does he do? He takes about \$3.5 billion out of the economy and puts some back, but reduces the general stimulation by about \$750 million. What does that mean in general?

I know there are people looking at us out there. When they hear politicians discussing matters, I know they do not always take their word for the dire economic consequences which will come about. But I have gone over some of the comments which have been made about the economic policy of this government. This government has been in office for six months, and already it is bringing us to the brink of disaster to such an extent that members on both sides of the House feel it is about time the life of this government was brought to an end, so that we can get back to some sort of rational economic policy-making in this country.

Some hon. Members: Hear, hear!

Mr. Atkey: Oh, oh!

An hon. Member: Jerusalem will remember you.

Mr. Atkey: You will not be smiling at ten o'clock tonight.

Mr. Fox: I should like to quote to the Minister of Employment and Immigration from a newspaper which is published in his home town, the *Toronto Star*. It refers to his colleague's budget as "a totally misguided budget". Those are not my words. Those are the words of the *Toronto Star*. I am not making them up. They were in the *Toronto Star* today. It indicated:

Mr. Crosbie has come up with measures that are guaranteed to give us even less growth, higher inflation and more unemployment . . .

That is an indictment of the type of economic policy the minister is trying to support in the House. The minister responsible for employment supported his colleague during the

[Mr. Fox.]

budget debate for coming up with measures which will guarantee less growth, higher inflation, and more unemployment.

I stay in the hon. minister's home province of Ontario. I looked at what the three main political parties in his province had to say to him and his colleagues yesterday. I am referring to the Liberals, the NDP, and the Conservatives, his blood brothers. They all came to the conclusion that the budget the minister is defending might trigger a recession while fuelling inflation and unemployment. We are not saying that in this House for political partisan purposes. We are trying to give the minister an objective view of how his budget is perceived by the *Toronto Star* and the three main political parties in the province of Ontario.

The Quebec minister of finance is quoted in *The Gazette* this morning in Montreal, speaking particularly about the excise tax on gasoline, as saying that this measure makes no economic sense. I should like to quote from this morning's edition of *La Presse*.

[Translation]

Tax conservatism does not make any sense at a time when economic stagnation is expected for next year. He will step on the brakes precisely when the economy is braking much too hard.

[English]

The same theme is taken up in the French press in Montreal.

[Translation]

The theme is the same. The main dailies in this country, in both Ontario and Quebec, all make the same lecture. The *Toronto Star* speaks of an absolutely ridiculous budget. Commentators in *La Presse* say that the measures put forward by the Minister of Finance and I quote:

—globally make of this budget a tax hole that will be useless in giving new impetus to the economy and illusory in the fight against inflation.

Le Devoir said this morning, and I shall quote again, Mr. Speaker, because I want to prove this is not political narrow-mindedness on our part. These are objective, independent observers, who see the situation from the outside, who have come to the conclusion that the budget does not make any sense. I quote:

One must wonder if the time was really ripe to whip, energetically, a languishing economy whose state might worsen with the American recession.

That is their conclusion. So there! Governments in power, in Ontario as well as in Quebec, condemn the measures put forward by the colleague of the Minister of Employment and Immigration. The great dailies in this country, *Le Devoir*, *La Presse*, the *Toronto Star* all agree. One of the large investment dealers also reaches the same conclusion. I mean Wood Gundy, who says, and I quote:

[English]

Wood Gundy, the largest firm of investment dealers in Canada, came out with the following statement:

Fiscal Conservatism is triumphant and will bring Canadian growth in real terms to zero . . .