

The Budget—Mr. J. N. Turner

Finance for fiscal year 1986-87 into some \$500 million in savings and some \$275 million in increased revenue. I suggest that is a good start.

The Acting Speaker (Mr. Paproski): Questions or comments on the Hon. Minister's speech? If not, debate.

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, it is always a happy coincidence to have you in the chair. It gives me that sense of equilibrium one needs when addressing the highest court in our land on a very serious subject.

After waiting the longest period in Canadian history for a new Government to present its economic plan to the nation, eight and a half months, Canadians are finding out that it was not worth the wait. The Budget does not have an economic plan. There is no agenda for growth, no agenda for jobs.

We have heard the Minister of Finance (Mr. Wilson) say in the House that last fall Canadians, voted for a change. However, they did not get the change they wanted. They did not get what they were promised. Instead of sticking to its massive list of glowing promises, that avalanche of promises, the Government has made a complete about-face.

The people of Canada were misled. Not only did the Government have no intention of keeping those promises, the new Conservative Government has finally revealed through its Budget that the true hidden agenda is nothing short of an all-out attack on lower and middle-income families of this country.

The Prime Minister (Mr. Mulroney) and his Ministers are travelling throughout the country in expensive government jets to promote the Budget. I understand that the Prime Minister is on his way to Toronto. The Budget received tremendous hype. The Prime Minister was in western Canada for the first time since the election, except for a brief love-in at Regina on St. Valentine's Day. He showed up in Edmonton, Calgary and Winnipeg saying that this was going to be a tough but fair Budget.

Conservative back-benchers, who are usually silent, anonymous and invisible, have been given a kit and told to sell the Budget in their ridings. Selling the Budget will be a challenge. No matter what the qualifications that the Members of the Conservative caucus may have as salesmen, no one can sell a bad product. The Budget is a bad product.

The Prime Minister said that the Budget would be tough but fair. The Prime Minister has spent much time promoting this Budget and I believe that he co-authored it, beginning in Miami. Therefore, this is not only the Budget of the Minister of Finance but, probably for the first time in Canadian history, a Prime Minister is intimately connected with the writing of the Budget, and he will be held jointly accountable with the Minister of Finance.

The Prime Minister's slogan of "tough but fair" promises to go down in history with many other famous sayings, such as, "Let them eat cake", "A chicken in every pot", "Tough but fair". The words "fair" and "fairness" are sprinkled liberally

throughout the Budget. On the first page of the budget speech, the Minister says, "The actions I am proposing are realistic, effective and fair". On page 21, he says that costs and benefits will be fairly shared.

I believe that before the Minister of Finance assumed his portfolio, he was rather straightforward, direct and unambiguous. It seems that the Prime Minister, followed by the Minister of Finance and other members of the Government, feels that people will tend to believe something if it is said and repeated often and enough. Let me suggest that despite the repetition and the hype from all the salesmanship, the burdens, the costs and the benefits of the Budget are not evenly shared by the people of Canada.

The Government's Budget is not fair. It hits average Canadians hard. The tax increase for the average Canadian is approximately \$400 to \$500 a year when one considers all that the tax increases, including the clandestine, sneaky and direct increases. That \$400 to \$500 tax increase to the average Canadian family begins now.

What use will be made of this money that was taken from the average Canadian? Does it go to the poorer regions of the country? Does it go to the less advantaged? Does it go to the single parents? Does it go to the elderly widow? Does it go to our native people? The answer is no, no, no. It goes to the rich and wealthy with the scope to invest.

The \$500,000 capital gains tax exemption is a cash bonanza of \$125,000 when converted into cash. The average family faces a \$500 a year tax, while the wealthy have a cash lifetime bonanza of \$125,000. Is that fair? Is that just? I do not believe that is the type of equitable Budget that you expected, Mr. Speaker.

I said in the House on Thursday night, and again last Friday morning, that this Budget is not only unfair, it is sneaky. It is based on a hidden tax increase. The Minister had a secret document entitled *Direct Impacts of Budget Measures by National Accounts Component*. It was prepared by his Department and confirmed as valid by his own officials. As was pointed out on Monday by my colleague, the Hon. Member for Laval-des-Rapides (Mr. Garneau), this secret document of the Minister of Finance reveals that de-indexing will net the Treasury \$11.5 billion more. In other words, the cost of this move to the average Canadian by 1990 will be \$11.5 billion. It is not a \$200 million tax increase, but a \$11.5 billion increase. At the same time, the give-away to the multi-nationals by that date will be some \$8.5 billion. The middle class will be affected now, while the minimum tax on the rich is postponed for a study. Those who can least afford it must pay now, while those who can afford it pay very little. That is what the Government calls fair.

Let us deal with the minimum tax. On August 17, during the election campaign last year, the Minister said:

I think it is unfair that an individual not pay a minimum tax.

We proposed a minimum tax on the rich of 13 per cent for those over \$50,000. Taken with the provincial component of an additional 7 per cent, that would have been a 20 per cent