

it. You are even able to quote me a single figure and to answer one of my questions.

The Acting Speaker (Mr. Charest): Questions or comments. Debate. The Hon. Member for Thunder Bay-Atikokan (Mr. Angus).

● (1730)

[English]

Mr. Iain Angus (Thunder Bay-Atikokan): Mr. Speaker, in my contribution to this debate I would like to report to the House on the spontaneous reaction I received from my constituents in my riding this weekend. People on the street were stopping me to indicate what they thought of the Budget. Individuals calling my office on other matters were asked their opinion of the Budget that was brought down last week.

Frankly, I was somewhat shocked by the language and concern that was expressed.

My comments today are based partially on the reaction of my constituents and partially on my reading of the Budget. My constituents summed up their reaction in two words. Some said quite clearly that the Budget stinks and others went a little further to use a word which my children refer to as the "s" word to describe the actions of the Minister of Finance (Mr. Wilson). In any event, my constituents felt very strongly in voicing their concerns directly to me about the Budget.

Those who elaborated stated that they were disturbed by the lack of fairness and that they as average Canadians with average families were being asked to pay more than their fair share for deficit reduction. They see the corporate sector getting greater breaks in the long term while they are being forced to pay more and more just to stay where they are today.

The greatest concern felt by these average Canadian families was that they would not be any further ahead as a result of the actions of the Minister of Finance. While they may make some gains in terms of income and greater savings to buy consumer goods, the Minister was taking it away through the imposition of additional sales and income taxes. This action reawakened past memories among my older constituents who reminded me, as they did during the 1984 election, that Tory times are tough times. They wonder why the Conservative Party has not realized that when they impose tough measures on the Canadian people whenever they are elected they are gone from power as quickly as they arrived.

This Budget is an indication of that concern. Let us consider the impact of the Budget on the average Canadian family. The 3 per cent surtax will take another \$170 from their pockets. The sales tax increase will amount to another \$150, while cigarette and alcohol taxes will increase by \$20. The total increase is \$340.

The cost to the average family as a result of the previous Budget includes \$100 for the elimination of the federal tax reduction; \$115 in the modification to indexing; \$22.50 for the cut in family allowance payments; the cigarette and alcohol tax increase of \$75; \$150 for the broadened sales tax base and \$50 in the gas tax increase. The total amount taken from the

The Budget—Mr. Angus

pockets of the average Canadian family as a result of the previous Budget is \$512.50. Some people are beginning to see the effects of those changes as they fill out their current tax forms.

The increases as a result of the November 8, 1985 Economic Statement include \$200 in increases in oil and gas prices; up to \$102 in increased unemployment insurance premiums; and \$150 in increased sales tax, for a total of \$425.

The total increase to the average Canadian family since the Conservative Party came to power in September, 1984 is \$1,304.50. That is not the kind of change they voted for. Those Canadians thought they were getting a better deal and some fairness.

They believed the Prime Minister (Mr. Mulroney) when he said that the rich would be made to pay. However, not only is that not happening, on January 1 of next year the surtax on the rich will drop from 5 per cent to 3 per cent while a surtax of up to 3 per cent is applied on all other Canadians. That is not fairness.

Let us look at other cuts contained in the Budget. Not only are Canadians facing increased taxes, those taxes are for services that are being reduced.

For example, the Department of Regional Industrial Expansion faces a cut of \$2.05 billion over the next four years. The Department of Regional Industrial Expansion is important to an area like northern Ontario which has not received its fair share over the years. The Government is cutting the Department back even further.

Employment and Immigration will face a cut of \$1.78 billion over the next four years. One must view these cuts on a year-by-year basis. While the Government will spend \$800 million on this Department this year, we must consider that it spent \$900 million last year. The year before it was more than that. In fact, it has gone from \$1.4 billion to \$800 million in a very few years. Jobs cannot be created by reducing the amount of money available.

● (1740)

With respect to Agriculture Canada the figure is \$502 million. With respect to the Department of National Health and Welfare some \$4.82 billion will be reduced. In terms of the Department of Transportation the figure is \$3.61 billion.

One thing Canadians were looking for in the Budget, some in terms of a worry that the Government just might do it and others in the hope that it would provide some type of relief, was with respect to the issue of gasoline prices at the pump. Unfortunately, the fears of a great many Canadians were confirmed when the Minister of Finance added a 0.5 cent a litre increase to the price of gasoline. He did not do this in an upfront way by changing the specific taxes on gasoline but he did it by an across-the-board increase in terms of the sales tax. This at a time when Canadians had been patiently waiting for gasoline prices to fall. The week before the Budget we saw a drop in the price of a litre of gasoline at the pumps of one cent or two cents. What did the Minister of Finance do? He turned