

The Budget—Mr. Gray

the other. The Conservatives in this budget are taking a lot more than they are giving.

The total tax grab of some \$5 billion in this budget is a lot more than they are giving back through tax credits to lower income people and the other modest, and in some cases, useful changes offered, for example, to small business. In fact this budget will bring about an increase in inflation of more than 2 per cent; a loss in Canadian gross national product of more than 1 per cent; an increase in unemployment of some 1 per cent. All of this was set out in the Conservative government's own background budget paper.

The increase in energy prices, and the tax increases set out in this budget, will cost Canadians some \$5 billion in 1980. This is the equivalent of at least a 14 per cent increase in personal direct taxes for individual Canadians. Imagine the burden of that on people already struggling with the burden of Conservative high interest rates. As a result of this Conservative "hard times" budget, it is likely that the real gross national product in Canada will decline in 1980, the first such decline in output in the last 26 years.

Let us take a quick look at the impact of what is in the budget—the higher energy costs proposed, the excise tax on gasoline—on average Canadian families. These increases will not be cancelled out by the special tax credit or anything else in this budget. I am told that the increase for an average family in Atlantic Canada will be \$398. I am told that the increase for an average Ontario urban family will be more than \$400, and for an average Ontario rural family in the dairy farm area, it will be an increase of some \$621. For a family grain farm in Manitoba, there will be an increase of some \$453, because of this Conservative budget.

This is a budget that is bringing hard times for Canadians who face higher taxes through the revenue grab in this budget, a revenue grab disguised by the government in its budget as an energy self-sufficiency policy. These higher prices for energy will mean more inflation and fewer jobs, as Canadians companies draw back from their efforts in the economy because of the lesser competitive advantage than the one they would have had previously through lower energy prices.

This is no way to develop an industrial strategy for Canada, something our country needs, something we Liberals are working for and want to see implemented. Such a strategy means policies to create a more productive and efficient economy. It means capitalizing on the basic strengths we have in Canada. These strengths include our actual and potential energy supplies, and the justifiable fact that up until now, at least, we have had prices much lower than world prices. But these Conservative budget policies will greatly eliminate these natural advantages for economic development which we have in Canada. We have here an unreal attempt to bring our energy prices close to, if not right up to world prices.

To conclude for this evening at least, I want to say that, contrary to what the Minister of Finance tried to say at the

beginning of his budget, this is not an "achieve our potential" budget. It hits at Canada's potential, it harms Canada's potential. The late R. B. Bennett would be proud of this new Minister of Finance this evening, but I do not think Canadians generally, especially middle- and lower-income Canadians, would be proud of the minister or of the Conservative government. They will be hoping for an early opportunity to get rid of that government. So, we will be accepting the invitation of the Minister of Finance to cross the floor. This party will cross the floor a lot sooner than many think; it will be the government once again.

[*Translation*]

I now move, Mr. Speaker, seconded by the hon. member for Ottawa-Carleton (Mr. Pepin):

That the debate be now adjourned.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. Members: Agreed.

On motion of Mr. Gray, debate adjourned.

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[*English*]

PRIVILEGE

MR. CHRÉTIEN

Hon. Jean Chrétien (Saint-Maurice): Mr. Speaker, I should like to raise a very serious question of privilege at this moment. Yesterday in the media there was what I would consider a very serious leak about the budget which was read by the Minister of Finance (Mr. Crosbie) tonight in the House. I would like to give notice to the Minister of Finance and to the Prime Minister (Mr. Clark) that we on this side of the House consider it a very serious matter and that it should be treated by the Prime Minister in the best tradition.

Hon. Walter Baker (President of the Privy Council and Minister of National Revenue): Mr. Speaker, I gather my friend has given notice of a question of privilege. In that event, I move:

That the House do now adjourn.

[*Translation*]

Mr. Speaker: Order. The hon. member for Saint-Maurice (Mr. Chrétien) has raised a question of privilege, that is he has given notice that he will raise tomorrow or in the near future a question of privilege concerning information given in advance about the budget presented this evening.

Motion agreed to.

Mr. Speaker: The House stands adjourned until tomorrow at 2 p.m.

On motion of Mr. Baker (Nepean-Carleton), the House adjourned at 9.30 p.m.