

ciation. It is a type of fashion show, but there were some 500 people there from the Taiwanese community. While mingling with them there was general support that this Government was on the right track. Sunday morning I attended the B'nai B'rith Covenant Breakfast. Again, 400 or 500 people were there. The Lieutenant Governor of Ontario brought greetings. Again, after mingling with dozens and dozens of people I found that they are basically supportive of the proposal put forth by the Minister of Finance (Mr. Wilson).

We should keep in mind that this Budget is one of three major steps. He announced his economic initiatives in November, 1984. He brought down a Budget in May, 1985, and now we have the Budget of February 26. All three steps are totally consistent with the objective of turning this country around after an abysmal record under the previous Liberal Government.

In closing I would just like to take issue with one other point which I believe the Hon. Member is distorting, and that is in terms of how much of this reduction in the deficit is occurring between expenditure reductions and tax revenues. I would like to say that the combination of rising revenue and falling expenditures reduces the deficit as a percentage of GNP, which is the key way to measure this, by 4.2 percentage points; from 9.1 to 4.9 per cent. Contrary to much public opinion, this considerable reduction in the deficit is accounted for mainly by declining expenditures. There is a 3 percentage point decline in expenditure compared to a revenue increase of only 1.1 per cent, roughly a three to one ratio. That is a pretty good balance, and that is one that Canadians expected and will totally support.

**Mr. Langdon:** Mr. Speaker, I have to start by conceding that I did not attend a Taiwanese fashion show in order to get my responses to the Budget. It is quite possible that Don Mills, with its average level of income very far above the national average, could generate people who felt quite differently about the Budget than is true of people in Essex-Windsor. We organized a community meeting where people could talk about all manner of subjects, including the Budget. I certainly found from the systematic phone calls we made to people across my constituency, from meetings with volunteer ambulance drivers in the southern part of my constituency and from trade union leaders with whom we met on Monday morning that the one universal message we heard is that the Government is hitting them once more, hitting the middle income people in this country again.

● (1210)

Personally, I believe there are two consequences to draw from that reality. When one looks at the Budget figures themselves, they demonstrate that fact quite clearly. The Government's own projection documents for 1987 show a total of \$1.2 billion in extra income tax from the group of middle income earners in our country. Furthermore, there is a total of \$1.05 billion in sales tax from that group. There are increases with respect to taxes on alcohol and tobacco. While that does not loom large when one considers the over-all tax package,

### *The Budget—Mr. Mayer*

the fact is that there are decreases in taxation on corporations coinciding with increased taxation on middle income Canadians.

Any Canadian who is watching these debates can write to the Minister of Finance or any Member to obtain these statistics and booklets which show quite clearly, for instance, that because the income tax rate is being reduced beginning in 1987, the corporate taxes in this country will have declined by \$1.6 billion by 1990. The statistics are clear.

The fact is that constituents told me during the weekend that the country is out of balance because the Government has asked ordinary Canadians and average families to carry far too much of the load. The average family is prepared to carry a part of the load but they feel a sense of tremendous imbalance and unfairness. Frankly, I agree with them.

### **The Acting Speaker (Mr. Charest):** Resuming debate.

**Hon. Charles Mayer (Minister of State (Canadian Wheat Board)):** Mr. Speaker, the Hon. Member for Essex-Windsor (Mr. Langdon) made a very interesting speech. I am pleased that some comments from this side of the House may have put some balance into the debate.

One of our causes for despair in this place is the kind of semi-sincere and syrupy tones we hear from the New Democratic Party. It is absolutely incredible.

The Hon. Member for Essex-Windsor talked about experience. I have been in this place for seven years and I see the Hon. Member for Qu'Appelle-Moose Mountain (Mr. Hamilton) who has been a distinguished Member in this House for many years. He has served the House, his province and the country in many distinguished ways and I suspect that he could not recall a time when a Finance Minister has been able to present a Budget saying that he has met a deficit goal which he set out to meet the previous year.

We inherited an astounding record of increasing deficits in past years, yet the Minister of Finance (Mr. Wilson) has been able to reduce that deficit as a result of a financial statement in November, 1984, a Budget in May, 1985 and another Budget in February, 1986. The Minister should be saluted for the work he has done in successfully meeting the targets which he set out in that statement and those Budgets. Members opposite should give us some credit in order to at least balance the debate. Many of us despair of this House when we see the opposition simply criticize the Government.

The Hon. Member for Essex-Windsor, as his Party's critic for regional industrial expansion, holds a major responsibility, and one would have thought he would suggest alternatives or given reasons for his belief that our Budget is wrong. He made no suggestions, but simply talked about failure, incompetence and missed standards.

Let me refer to what his Party's finance critic said of the November 8 statement. He said: "There will be a loss of between 50,000 and 100,000 jobs in the months ahead". Fortunately, the Minister of Finance avoided that prediction. Rather than a loss of 100,000 jobs as predicted by the NDP we