

acceptability to Canadians and support their colleagues? We have to join together and take steps to rectify this.

● (1630)

What will we do about it? The Minister of Finance (Mr. MacEachen) supposedly answered the problems of Canada when he introduced his budget on November 12. Did it create jobs or economic programs or a climate which would lead to industrial expansion? No, it went to the other extreme. It provided a great number of disincentives. The solution provided in the budget was to tax the working people more. The Minister of Finance, in his budget, told business that it was gypping the tax man and he would set new rules. The government will move in and examine the businesses and discourage them from further expansion or development. That is the solution to the problem which exists in Canada which was given by the Minister of Finance.

You have to wonder what motivates the minister. Is he blind? Does he never return to his constituency? Do you know what the situation is like in his constituency of Cape Breton Highlands-Canso, Mr. Speaker? There is a post office on every corner and parks everywhere. His constituents need the parks because there are no jobs and there is nothing else to do. The minister never provided any jobs in his constituency. The minister provides \$2 million, twice a year, toward winter works and student work programs in his constituency. Every other constituency in Nova Scotia receives \$100,000 for the same kind of projects. That is how he treats his constituents. The Strait of Canso has the deepest and best port on the Atlantic coast, but there is nothing there. There used to be an oil refinery there, but it has closed down. The common-user dock has been virtually unused. But the Minister of Finance gives them post offices, parks and little projects. That is how he deals with unemployment in his constituency.

Now, the Prime Minister (Mr. Trudeau) charges him with the responsibility of dealing with unemployment all across Canada. That surely gives us an indication of the difficulty we are in. The Minister of Finance does not understand the situation. The Peter Principle has set in. He has gone beyond the level of his own competence.

Fortunately, there are members of his own party who realize this problem. Not only do members of the opposition parties, the national press, or most of the economists recognize this, members of his own party realize that he does not know what he is talking about.

The minister has lost control and has brought in insufficient measures to revive the economy. Worst of all, he is misleading Canadians as to what he is doing. The minister has introduced these budgetary provisions and has attempted to tell Parliament and the people of Canada that he is practising restraint. He says that he will cut down on the federal deficit, but he is not fooling the Economic Council of Canada. It realizes that it is not cutting the federal deficit but simply transferring it to the provinces. He is merely flowing the \$5 billion from the federal deficit into the provinces. This deficit will be on their books because it is money which comes from transfer pay-

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ments and payments from established programs. The minister has done nothing about government spending.

The proof magically appeared before me today. I saw an announcement in the Ottawa paper today that the Minister of Communications (Mr. Fox) and the Prime Minister were announcing the construction of a new national museum at a cost of \$185 million. The government will spend \$185 million on a museum! Earlier today we heard the minister for housing (Mr. Cosgrove) say that he was implementing programs to assist Canadians in their housing needs. The provisions in the budget were to help home owners in dire straits and provide \$7,500 per unit for 15,000 units to help people who want to rent houses. The implementation of the proposals which are provided in a bill which he has before the House will cost a total of \$350 million. While the government is providing \$350 million to help those Canadians with excessive mortgage interest rates and those who need rental accommodation, at a time when occupancy is unavailable in most Canadian cities, it will spend \$185 million on a museum. I think Canada's heritage is important, but we must not have home owners losing their homes through foreclosure and have all those social problems which would result. We cannot have Canadians who cannot afford rental accommodation forced to the streets to seek assistance from municipalities while the government builds a museum for \$185 million. Where is the heart and soul of the government?

The minister does not understand the needs of Canadians. Why do the Liberal Members of Parliament, the Prime Minister and the Minister of Finance not travel across Canada to find out what the needs of Canadians are? Have they closed their eyes? They developed a budget which they thought would bring equity into the tax system.

If the government wanted to bring equity to the tax system, they would have conducted a proper investigation and listened to the problems Canadians have with the tax system. They have discussed these problems in order to develop a tax system which would be fair to all Canadians.

When the Right Hon. John G. Diefenbaker formed the Government of Canada he set up the Carter commission to examine the tax system. It travelled across Canada to discuss Canadians' problems and ultimately came up with proposals for a change in the tax system. These proposals were contained in the Carter commission report. That is the method for bringing equity into a tax system.

However, when the Carter commission report was introduced in 1967, Mr. Bud Olson, who is now a senator and minister of the Crown, stood up and said that "Liberal MPs rejected the Carter tax reform after years of study." Mr. Olson said that he and his colleagues in the Liberal Party totally rejected tax reform. That was in 1967.

Since that time, there has been a Liberal government in Ottawa, except for a short period, which has done nothing about tax reform. The government has never consulted the people of Canada. On November 12, the government produced a document which it said would bring equity to the tax system. The government never indicated that there was not equity in