

The Budget—Mr. Dingwall

● (1550)

Perhaps you would have thought, Mr. Speaker, that those were the comments of a member of the New Democratic Party or, better still, a member of Her Majesty's Official Opposition, the Liberal Party of Canada. It was neither. They were the words of the Minister of Finance, talking about the federal sales tax.

From where was the quotation taken? It was taken from the *Budget Papers* as tabled by the Minister of Finance. What has the man from Bay Street done with regard to the federal sales tax? Has he attempted to reduce it, as one would logically think as a result of the statements in his Budget? No, he is extending the federal sales tax to kiddy snacks.

He said to the young people of the country that it was a terrible, unfair, and inefficient tax, that it was a silent killer of jobs. However, what is he doing? He is extending it to kiddy snacks. I find the hypocrisy of such action to be quite alarming. In fact, it is appalling that the Minister of Finance would want to do that in light of the statements in his Budget. Unfortunately, we have come to recognize and to accept this type of behaviour from the Government of Canada, we have seen it in so many areas of the Government's operations.

Other matters were addressed in the Budget of the Minister of Finance. On December 11, 1979, I attended a conference in Toronto. On that particular evening I turned on the television only to see the Government of that day being defeated, because it introduced a Budget on the floor of the House of Commons which resulted in an 18 cent per gallon increase in the price of gasoline. Canadians in large numbers rejected it, as indicated by the subsequent seats won by my Party and by the New Democratic Party and the loss of seats by the Party opposite. They did not want to see the price of gasoline rising to the extent the Conservative Government of the day suggested.

What do we have in the present Budget? What has been the cumulative effect of the Budgets of the Minister of Finance? On the one hand he increased gasoline by one cent per litre. Days later, not weeks, months, or years, the industry turned around and increased the price of gasoline, which had an effect upon motorists and various sectors of the economy.

The increase in the fuel sales tax has been approximately four cents per litre or about 18 cents per gallon since the Conservative Government and the Prime Minister (Mr. Mulroney) took office in September, 1984. Hon. Members opposite laugh. They find some intrinsic joy in the fact that there have been increases in the price of gasoline. I want to share with them that Canadians in different regions of the country recognize that increases in the price of gasoline will not only have negative effects upon our farming and fishing industries, but they will have devastating effects upon a sector of the economy, in which all political Parties agree there is an opportunity for huge economic growth, that is, the tourism sector. Mr. Speaker, 75 per cent of our neighbours to the south who travel to Canada do so by automobile. What have we as a

nation said to them? What has the Government said to those individuals? It is throwing up road-blocks. It does not want tourists to come to our country. If that were the case, the Government would certainly not be supporting such tremendous increases in the price of gasoline.

It can be fairly argued that there was only a one cent increase in the present federal Budget. I agree. However, it triggered the private sector to leap-frog in terms of increasing the price per gallon of gasoline. Petro-Canada, which is in existence to serve Canadians and be a window on the oil and gas industry, increased its price per gallon of gasoline. The Government had every opportunity pursuant to the Financial Administration Act—and probably the Minister of National Health and Welfare (Mr. Epp) would have liked to have done it if he were the Minister responsible for Petro-Canada—to issue a directive saying very clearly, "Do not proceed with a two-cent increase in the price of gasoline".

I would have hoped Hon. Members opposite would have seen the tremendous effect which that increase in the sales tax per gallon of gasoline would have on various sectors of our economy and on people. Jobs will be affected negatively by this particular Budget.

The Budget made some substantive cuts with regard to expenditures in CIDA amounting to \$150 million. This is the same Government which advocated only yesterday, through a number of musings or sentences given by different Ministers, that it had a concern not only for bilateral trade but for multilateral trade. When someone says one is concerned about multilateral trade, and when we examine carefully the cuts which have taken place in CIDA and in other aspects of that federal Department, we can fairly and objectively question the hypocrisy of the Government of the day.

Other budgetary measures ask Canadian employers to pay bi-monthly unemployment insurance and CPP premiums. This is a change from the past. We know it is a very slick way, an accountant's way, of fooling with the deficit.

There has been a \$200 million cut in national defence by the same Party which advocated that there would be major additional expenditures. Perhaps the greatest reduction—and I underline it for Hon. Members opposite—has been the one in the regional economic development envelope of 39 per cent. On the one hand the Government has said that it is concerned about regional economic development and that it wants opportunities for people in various regions of the country. When it comes to putting money and putting forward innovative programs to assist people in poorer regions, what do we have? We have a 39 per cent reduction in the regional economic development envelope.

● (1600)

The Minister of Finance has ruled time and time again that he has given a tax credit to eastern Nova Scotia, that he has provided the Atlantic Opportunities Program and the Atlantic Enterprise Program and that he has provided assistance under