

Income Tax Act

the lead of those bright people in British Columbia and to get rid of an incompetent government no longer have that difficulty. We have always had to fight the belief that the Liberals understand Quebec and that they are probably the ones who can keep the country together. After what has happened in this House today, we will never hear that again.

The myth that the Liberal party is the party to keep this country together has been totally expelled, and I am certain that after the Prime Minister (Mr. Trudeau) has had the courage to go to the people we will not be talking about a small majority for the Progressive Conservative party. We will see a sweep into power of the Progressive Conservative party because the people of Canada want this country to stay together. They wonder how it can be that the Liberals, who are supposed to be able to keep the country together, since 1968 have created alienation in the west and brought about the election of a separatist government in Quebec. Those who are in authority must take the responsibility. The Liberals have been in authority and they have presided over the decline in this country. Canadians wonder how that could happen because for years we have heard that the Liberal party could keep the country together.

We have seen a case history of lack of understanding by the Prime Minister and the Minister of Finance regarding what confederation is all about. There is a lack of understanding that we are a confederation and that the provinces are important. The Liberals run roughshod over the wishes of the people of a province which is very important to this nation. They have demonstrated that they cannot govern and, fortunately, after the next election they will be out. Mr. Speaker, may we call it six o'clock?

Mr. Deputy Speaker: I would like to inquire of the hon. member as to whether he has completed his remarks, because by calling it six o'clock he leaves the impression that he wants to continue his speech. He has four minutes to go, so he could complete his speech before six o'clock.

Mr. Gillies: Mr. Speaker, on an issue such as this we could talk for a very long time.

An hon. Member: There isn't much more to say.

Mr. Gillies: The hon. member is quite correct that there is not much more to say. It is very apparent that the critical issue is which party can govern this country. The critical issue is whether the Liberals know how to administer this country. They do not.

That has been well demonstrated by the Minister of Finance, who is so incompetent that he does not even know how to have consultation. He thinks he has consultation when he does not. His idea of budget making is that at two o'clock in the afternoon he should be waiting for telephone calls from ten ministers of finance across the country. This is the way this budget was made, and that is preposterous. I can understand, however, because there is nothing in the budget of any significance. However, when the minister does not get agreement, he says he does. He does not have it. The minister used up two or

[Mr. Gillies.]

three weeks in this colossal blunder. He is now trying to correct it by putting in a proposal that will produce a different tax system for one part of the country.

There is not much more I can say about a situation such as this. This country desperately needed a budget. We have the highest unemployment rate since the depression, an increasing inflation rate and a huge balance of payments deficit. While most countries of the world which have resources are getting richer, this nation is getting poorer. The rate of real growth in our gross national product has slowed down. It will be less than 2 per cent in the first half of this year. Between the fifties and the seventies we had an average rate of growth of 5.5 per cent. The reality is that the rate of growth of our economy has sunk to its lowest level since the 1950s and 1960s.

Anyone who thinks we are unique does not read the record. The rate of real growth in England has gone up. The rate of real growth has gone up in Japan and France. This is another indication from the Liberals opposite that they do not read or study anything. All they want to believe is their own rhetoric. The reality is that we needed a budget to turn this country around as we never needed one before.

The Minister of Finance has created a divisive situation in Quebec. He has ignored the needs of the nation. He is still relying on economic policies which will not work. His budget displays no imagination or initiative. There are no new ideas whatsoever. The nation is crying for imaginative and effective budget measures to make this country move again, but now we find ourselves tied up for a couple of weeks because we have a Minister of Finance who has so little understanding of the province of Quebec that he gets us into this problem.

Mr. Deputy Speaker: Order, please. It being six o'clock I do now leave the chair until 8 p.m.

At six o'clock the House took recess.

● (2002)

AFTER RECESS

The House resumed at 8 p.m.

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, debate on the bills relating to the budget and the income tax bill in particular has been going on now for a long time. Since May 15 the House has been dealing with little else, after having previously had the budget debate, so that the general issues and the issues related to taxation matters now before us have had a great deal of discussion. Yet, in all of that time, a certain number of them have been obscured and dealt with in a limited fashion only because of the attention paid to one particular item about which I will also say a number of things. The item which has tended to dominate the attention has been the attempt to see a reduction in sales taxes across the country, and particular focus has been put on the difficulties which arose in relation to the province of Quebec and their separatist government's attempt to deal rather differently with the issue.