

S.O. 21

THE BUDGET

EFFECT ON WAGE EARNERS

Mr. Sergio Marchi (York West): Mr. Speaker, once again this Government has described a Budget as tough but fair. That is what it said about the last Budget. It sure as hell is tough but it is certainly far away from fair.

If we consider that because of the last Budget, which was introduced in May, a wage earner earning \$15,000 paid an accumulative tax increase of some 36 per cent, we can compare that with the person who earned \$200,000 and who faced an accumulative tax increase in the same period of only 2 per cent.

Last May Canadians were asking themselves what kind of fairness that Budget and that tax offered the average working Canadian. This week that problem has simply been compounded with the pressure of a new tax burden on middle-class Canadians.

In a year end poll last Christmas by Decima and *McLeans's* magazine, a very specific analysis showed that this country is perceived to be between the haves and the have-nots—

Mr. Speaker: Order, please.

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THE BUDGET

PROJECTED LEVELS OF CORPORATE AND PERSONAL INCOMES

Mr. Steven W. Langdon (Essex-Windsor): Mr. Speaker, the Budget is marked by unfairness and incompetence. Let me just deal with the economic projections given on page 26 of the Minister's own document. The Budget will give us huge increases in corporate profits in 1986 and 1987 while both personal incomes and consumer expenditures decline in growth. Talk about unfairness of results.

What is tragic is that this is a slow growth Budget which shows our economic growth rate declining in 1986 and 1987 while the U.S. growth rate is increasing. What an incompetent development strategy. The Minister of Finance (Mr. Wilson) should realize that we cannot take billions of dollars from the pockets of average families and expect dramatic growth. This Budget is a bust. In my economic grading, it deserves an F for failure—

Mr. Speaker: Order, please. The Hon. Member's time has expired.

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EMPLOYMENT

SUPPORT FOR BUDGET MEASURES

Mr. Bob Pennock (Etobicoke North): Mr. Speaker, on Wednesday the Minister of Finance (Mr. Wilson) demonstrated clearly that this Government is spending better and smart-

er. Canadians will recall that after both the November economic statement and our May Budget, the Leader of the Official Opposition (Mr. Turner) and the Leader of the New Democratic Party (Mr. Broadbent), the merchants of gloom and doom predicted hundreds of thousands of lost jobs and a depressed economy.

The same doom and gloom campaign has already begun as we are hearing today, but the people of Canada will not be fooled by their cheap political rhetoric. Look at our record. There have been 580,000 jobs created in just 18 months, a deficit reduction of \$4 billion, and economic growth equalled only by Japan.

I am proud to stand in my place today to offer a hearty congratulation to the Hon. Member for Etobicoke Centre (Mr. Wilson) for bringing sanity, common sense, and good management back to our nation's affairs.

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● (1110)

INCOME TAX

SUPPORT FOR NEW SYSTEM AFFECTING NORTHERN BENEFITS

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, in fulfillment of yet another election promise made by the Prime Minister (Mr. Mulroney), the Budget contained a long-awaited announcement with respect to the taxation of northern benefits. All northerners will be pleased with the replacement of year-to-year remission orders by permanent changes to the Income Tax Act which take cognizance of the much higher costs of living in northern and remote areas.

In contrast to former remission orders, which tended to favour a select segment of the population, the new system, devised as a result of widespread consultations, will be as fair and equitable as possible and extend benefits to pensioners, federal employees, the self-employed, and employees of small business, people who had previously been neglected.

On behalf of all Canadians who live in the far reaches of the country might I congratulate the Minister of Finance (Mr. Wilson) for an extremely well received Budget—

Mr. Speaker: Order, please. I regret to inform the Hon. Member that his time has expired.

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[Translation]

THE BUDGET

TOURISM INDUSTRY

Mr. Fernand Robichaud (Westmorland-Kent): Once again this week, Mr. Speaker, we have seen that the Government has completely forgotten all about the tourist industry.