

HOUSE OF COMMONS

Tuesday, February 21, 1984

The House met at 11 a.m.

● (1105)

GOVERNMENT ORDERS

[English]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed from Thursday, February 16, consideration of the motion of Mr. Lalonde that this House approves in general the budgetary policy of the Government; and the amendment of Mr. Crosbie p. 1445; and the amendment to the amendment of Mr. Riis p. 1448.

Mr. Charles Mayer (Portage-Marquette): Mr. Speaker, any budget is important and, therefore, any budget debate is important. I believe this Budget is particularly so, Mr. Speaker, because it indicates the Government's intentions in a pre-election period. One would have thought that with the kind of country we have, the opportunities, the natural resources, and the kind of people, the Budget would be a chance for the Government to show some direction, leadership and hope for the future of this country. We did not really see any of that in this Budget.

It is interesting to note, and rather sad, that the lack of response to the new Budget sits well with the Minister of Finance (Mr. Lalonde). I quote from an article in *The Globe and Mail* of February 17:

Finance Minister Marc Lalonde says his new budget is not having any effect on the Canadian economy—and that that makes him happy.

I find that an incredible statement. What it indicates, Mr. Speaker, is that it does not bother him that there is a million and a half people unemployed and that the unemployment rate for young people is 20 per cent. When we have this kind of economy, it is sad for a Finance Minister to come forward with a Budget which shows no response to the plight of the economic community in this country, and to say that suits him fine has to be literally a disgrace, Mr. Speaker.

I see the former Minister of Transport is in the House. He is a very fine gentleman for whom I have a lot of respect. I am sure he has the respect of all Hon. Members. I see him shaking his head, but I am sure, as an economist, he would have to agree with me when I ask the question: Given the kind of situation we have in the country today, if the Minister of Finance must come forward with a Budget which actually does nothing, why would he come forward with a Budget at all? I

suppose it is politics. It is almost axiomatic that you must put the best light on everything. Had the Minister of Finance been responsible for the sinking of the *Titanic*, I wonder if he would have responded by saying: "I am glad to see that the law of gravity still works". I feel that is the kind of attitude of this Government.

● (1110)

I do not like being critical all the time, Mr. Speaker, but I will make one other point which concerns me and the farming community. That is the way Section 31 of the Income Tax Act is applied, the so-called hobby farmers section. This affects the people who work off the farm and use the income earned against expenses incurred on the farm. They are allowed to deduct \$5,000 of their income against expenses incurred on the farm. That has been causing a lot of problems in the farming community. The Minister of Agriculture (Mr. Whelan) has been concerned about this. He spoke recently at the annual meeting of the Canadian Federation of Agriculture in Edmonton and this is what he is quoted as saying regarding Section 31. He said: "It should either be drastically changed or preferably wiped off the books. I think the law is obsolete". A lot of us would agree with that. However, this man happens to be in Cabinet and we wonder, if he agrees with us that this section needs to be changed and says it is obsolete, why can he not do something about it? He happens to be in the Cabinet. He said: "I would rather see part-time farmers than absentee landlords". I agree with him totally, no question about that. But what does he do? Nothing. He reminds me, Mr. Speaker, of an old gomer bull in a pasture. There is a lot of ranting and raring and roaring and pawing the ground, but when it comes to getting the job done he is absolutely useless. That is what a lot of us realize when we look at what is in the Budget for agriculture, and it makes us sad.

Let me point out a few things I think were useful in the Budget and try to put them in context. There are some good things relating to simplifying paper work for small business. No question that that needs to be done. Unfortunately, we need more than simply a study. What are we getting here? More paper work. Surely we are entitled to have some action rather than just 75 or 80 pages of additional paper. We are not so much unhappy with some of the things in the Budget; it is the fact that they are all going to be studied.

However, a step in the right direction is the fact that the Government recognized the problems with capital gains taxes on farm land. Unfortunately, I am not so sure it goes far enough, but it is something worthwhile. There are some useful things on pension reform in the Budget, but again it is simply going to be studied.