

The Budget—Mr. Dingwall

Although the Chair finds no *prima facie* evidence of a question of privilege in this case, it is always wise to avoid offending those susceptibilities which can lead Hon. Members to raise complaints of this nature.

I want Hon. Members to take note of the fact that the Chair has very carefully examined the context in which the words of the Minister were spoken. On close observation I think that it is clear that—and I repeat this because it is important—the Minister was not giving any orders to any members of the Public Service. I hope that Hon. Members will review carefully this judgment and that the committees of the House will examine carefully the reiteration that has been set out in it of the powers, obligations and duties of committees of this place.

Some Hon. Members: Hear, hear!

GOVERNMENT ORDERS

[English]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the Government; and the amendment of Mr. Garneau (p. 3594).

• (1540)

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, I am happy to be able to participate in the budget debate this afternoon. In examining the record with respect to those speakers who have gone before me I note that we have not yet heard from many Members across the way who represent the Province of Nova Scotia, the province in which my constituency is located. I hope that in the days that remain for the consideration of this motion we will have an opportunity to hear firsthand how Members of Parliament, and in particular members of the Government, view the Budget and the effects it will have on the residents, not only of Nova Scotia but, indeed, of Atlantic Canada and the country as a whole.

The Minister of Finance (Mr. Wilson) in previous Budgets, and indeed in previous statements in the House of Commons, has stated clearly that it was not his intention to raise taxes. I believe he made that statement in March of 1985. If ever there was a contradiction or a breach of that undertaking or commitment, it is found in the recent Budget of the Minister of Finance. I say that not in a gloating way to point out another mistake or another broken promise of the present administration, because there have been so many, but because this Budget has great ramifications for ordinary Canadians who look to the national Government for assistance, leadership and, indeed, some sense of compassion and understanding.

I wish to point out that from 1984 to 1988 total government revenues will increase by \$22.3 billion. That is a significant amount of money. Individual taxes will increase by \$22.8 billion during the same timeframe. That is a phenomenal increase with respect to individual taxes. During that same period of time corporate taxes will drop, and drop significantly. They will decrease by \$2.2 billion. In effect, the corporate tax base is eroding. The Minister of Finance has recognized that, and in his Budget Speech he said that corporate income tax collections for 1985-86 were approximately \$1.2 billion below the level expected at the time of the February 1986 Budget. On the one hand we have average, ordinary Canadians facing an additional tax burden of \$22.8 billion over the timeframe 1984-88, while on the other hand we have corporations which will see a reduction of approximately \$2.2 billion.

The Leader of Her Majesty's Official Opposition stated in Toronto some months ago before a massive crowd of supporters and admirers that the growing gap between the rich and the poor is significantly on the increase and that power is becoming more and more concentrated in the hands of a select few Canadians. There is evidence for this which I have not taken out of the air. There is specific detailed evidence which is contained in the *Budget Papers* tabled in the House by the Minister of Finance. So we can see that there is a major gap, and the gap is widening, between the rich and the poor.

In 1984-85 individual taxpayers provided upwards of \$43.3 billion in revenues. In 1987-88 they will provide \$66.1 billion, whereas corporations will provide only \$9 million. Again, this is clear and unequivocal information provided by the Minister of Finance in his budgetary papers which show very clearly that individuals in Canada are paying substantially more while corporations are paying substantially less. Knowing your interest, Mr. Speaker, in percentages and how they work in this great country this means that, as a result of this Budget and previous ones, individual Canadians, whether they live in the Province of Newfoundland, Ontario, Quebec, any of the western provinces or, indeed, any of the remaining Atlantic provinces, will be paying a significant increase in individual taxes amounting to 52.5 per cent.

I had hoped that Members opposite would have attempted to try to see some equity in the way in which the Government carries out its operations. When one looks at the corporate side, what does this mean in terms of percentages? It means a reduction of 18.1 per cent. This points to a clear and unequivocal gap between those who have and those who do not. The budgetary measures of the Minister have contributed remarkably to that situation.

With regard to the imposition of federal sales tax and the effects it will have on individuals in the country I wish to quote the following:

The federal sales tax is unfair and inefficient. It is a silent killer of jobs. It levies a higher tax on average, one-third higher on domestic manufacturers than on competing imports. This leads to plant closures and lost Canadian jobs. The base is narrow and similar goods can have very different burdens of tax. The sales tax is coming under increasing pressure and reform is increasingly urgent.