

*The Budget—Mr. MacDonald*

the option in Prince Edward Island of using other means of transportation; therefore we must use the ferry system as someone else must use a road when it is the only road into his own community.

The fact that this increase was brought about without any forewarning, without any notice being given by the Department of Transport, or the C.N.R., and without notice being given to Prince Edward Island government suggests to me some disinterest, or some lack of concern about the many problems facing the people in Prince Edward Island today.

There is a unanimous resolution in the legislature of Prince Edward Island asking the Minister of Transport if this is not a situation that could be considered in some kind of inquiry, possibly by the Board of Transport Commissioners.

This coming Sunday, May 1, I am told this new system will come into effect. Many things about it frankly amaze me. One of them is this: Now, in the summer, when a tourist is making his pilgrimage to the island, and perhaps hauling his trailer, instead of paying the usual fare he would pay for his car and trailer under the old fare system, a vehicle checker will now run around measuring the lengths of the trailers. According to the length the tourist will pay a certain fee. I do not know whether the people who have set the scale realize how many trailers are hauled back and forth on the ferry system. I am sure that the vehicle checker will have to have a pair of running shoes, and will have to have assistance if he is to carry out this kind of scheme.

Then, the purser himself told me that it takes all the time they have available on a normal crossing to sell all the tickets to people who want to go to the island, or who want to go to the other side. In many cases these are return tickets which have to be issued only once, and not twice. What is going to happen is that everybody will buy a ticket on every trip. There will have to be more staff to handle the greater work load, more pursers and more vehicle checkers, takes all the time they have available on a which, in turn, will mean extra cost. But they are already paying that extra cost. It will put us right back where we are. And causing great inconvenience to the staff of the Canadian National, and to the people of Prince Edward Island.

[Mr. MacDonald (Prince).]

Frankly, these are things I do not understand, and I do not know whether this government has really kept in touch with what is happening beyond the borders of Quebec. I would suggest, from my few remarks, that we reappraise some of the stands being taken, because what I have to say is of interest not only to the central part of the country, but to the whole of this nation.

**Mr. Warren Allmand (Notre-Dame-de-Grâce):** Mr. Speaker, along with other hon. members I want to extend my congratulations to the Minister of Finance for his well prepared and well presented budget. We all appreciate that taxation has never been a popular institution, and that the implementation of tax measures often requires courage and leadership. In presenting this budget the minister has demonstrated both of these qualities.

In his speech the minister has clearly indicated our economic problem, inflation; and he has indicated the means required to combat this problem. He forecasts an economy in which demand is outstripping supply and in which available productive capacity is overtaxed. His remedies are special taxation, curtailed spending and economic incentives. Unfortunately, economic, fiscal and monetary policy is not simple and is not simply explained.

● (9:40 p.m.)

Many citizens still find it difficult to understand how the introduction of a tax may actually lead to a lower cost of living, or why a government would want to tax if it did not want immediately to spend. As a result it is easy for the political demagogue to fool the ordinary citizen for political advantage, to isolate budgetary measures such as taxes and to describe his opponents as heartless and unconcerned. The opposition in this debate have unfortunately been guilty of this misrepresentation and this demagoguery. Instead of responsible criticism they have engaged in personal attacks, as the hon. member for Rosthern (Mr. Nasserden) did this afternoon, and introduced other topics and side issues. While they agree there are inflationary pressures, they would still add fuel to the fire by urging tax reductions and increased expenditures. Though these measures would certainly be desirable in a static or a decreasing economy, they are not advisable in the present situation when we have severe inflationary pressures.