

announced in the Budget. Very impressive, you say. It may be impressive to those who won't have to pay for it or people who have yet to realize that this reduction is going to cost the average Canadian. And it is Mr. and Mrs. Average Canadian who are going to bear the brunt of paying for this deficit. But there are also a number of important economic sectors that are going to pay as well. I am referring, Mr. Speaker, to the tourist industry which for some strange reason has been affected by this Budget. It is indeed strange and in the case of the Minister of State (Tourism) (Mr. Murta) inexcusable, that this Government keeps hitting, an industry that is regressing from Budget to Budget.

I shall, if I may, go back to November 1984, when the Minister of Finance (Mr. Wilson) gave us his first economic message where we find several measures that were detrimental to the tourist industry. I am thinking for instance of the decision to stop financing of projects for the tourist industry under the Industrial Regional Development Program. This measure resulted in a loss of \$26 million in 1984-85. That was only the beginning.

Then the Government slashed the national parks budget and raised entrance fees by 300 per cent, enough indeed to discourage visitors anxious to see our beautiful national parks.

Next came the CN Marine ferry services with a 15 per cent budget restraint which, sure enough, led to a fare increase.

Another transport company, VIA Rail, ended up with a \$93 million budget cut-back. As you would expect, Mr. Speaker, remote areas where such services operate in the red had to cope with still fewer services.

Other similar devastating measures were announced in that same economic statement. The airport tax went up 1 per cent, from 8 to 9 per cent, and there was a 1 per cent sales tax increase on products such as alcohol and gasoline.

Mr. Speaker, all those measures were implemented barely two months after the new Government was sworn in, a Government which was supposed to give very special consideration to the tourist sector, or so we were told. Well, we are still waiting.

As you may have guessed, the second attack against the tourist industry came with the first Budget, on May 23, 1985. We would have thought—and industry representatives were hoping—that the Government would lay off the tourist sector. Not only was the industry unable to catch its breath but for the second time it was run out of breath. We might even say that it is being choked, Mr. Speaker.

Three new measures are announced and there simply will not be any changes. The Conservative Government chooses to undermine the tourist sector by slapping a 2 per cent federal excise tax increase on alcohol, beer and wine.

Borrowing Authority Act

A second measure was aimed once more at spirits and gas through the announcement of a one per cent increase in the sales tax, effective January 1, 1986.

A third measure, not the least, was the excise tax increase of two cents a litre of gas, effective September 3, 1985.

Of course, there was more. In the meantime, on June 21, 1985 the Government decided to remove the ceiling of \$30 on the airport federal tax. Therefore, a higher airport tax became payable on all airplane tickets worth more than \$333. For instance, on an airplane ticket costing \$900, the airport tax is not \$30, but \$81. So since then, instead of paying his ticket \$930, the air traveller pays \$981 or \$50 more.

● (1500)

And still in the spirit of assistance to the tourism industry, a few days after the removal of the airport tax ceiling was announced and following the uproar caused by the proposed deindexing of old-age security pensions, the Mulroney Government withdrew that proposal and re-established full indexation of pensions, but at the same time, to compensate for those payments, they announced another one-cent hike in the excise tax on gas.

There is therefore no breather for the tourist industry, none whatsoever, Mr. Speaker, and this continues as though the series of tax increases had not been enough, which is a clear proof that tourism is the very least concern of this Conservative Government. Unfortunately, this second Wilson Budget is providing again for tax increases. That is terrible, really terrible!

First of all, there is the immediate 4 per cent federal excise tax on alcoholic beverages and 6 per cent on tobacco. Second, the sales tax is increasing by 1 per cent from 11 to 12 per cent. As for alcohol, the increase means that the tax on alcohol has now reached the 15 per cent level, Mr. Speaker.

So far, I have said nothing of direct taxes. But let us turn now to the other taxes, including the 3 per cent increase in individual income tax which will directly affect the tourist industry.

This money which Canadians could spend travelling will now be used to pay for the Government's deficit. The Government, therefore, is still working against the tourist industry and, everything considered, the last Wilson Budget is truly an attack on the tourist industry.

Since the Fall of 1984, there have been dramatic tax increases which the industry representatives strongly opposed. As a matter of fact, over the past year and a half of this Conservative administration, the tax on gas has increased by 9 per cent, which means an increase of 4.5 cents a litre or, if you prefer, over 20 cents a gallon.

In the regions, these federal tax increases have a serious impact on consumers, more so than elsewhere, because in outlying areas, like the Maritimes, transportation by car or bus