

Borrowing Authority

Mr. Hopkins: Yes, it is a matter of debate, Mr. Speaker. As the Hon. Member should understand, debate goes both ways across this Chamber. The Hon. Member certainly admitted that taxes had to be increased, and that is exactly what I said. The Minister of Finance stated in Toronto that he would not increase taxes in order to pay for the deficit, and the Hon. Member for Kitchener has just admitted in this House that the Government had to increase the taxes in order to do that very thing.

But are they doing it, Mr. Speaker? Again, we hear a lot of rhetoric about the great accomplishments with respect to the deficit, which seems to be continually on the minds of the Government backbenchers. The Minister said he was not going to increase taxes. He should apologize to every Canadian today because individual taxes have increased by 52 per cent to 53 per cent. Taxes on high income earners are on the decline at a time when they are on the increase for lower and middle-income earners. The Government now has the nerve to talk about tax reform. It is building an unfair system first and will then tear it down a bit the year before the election and say, "What great people we are". That is the farce going on in this country today in the field of finance.

I do not want to see Hon. Members on the Government side, or those who have borrowed seats on this side, tell us they plan to be here after the next election in their usual places. Because if they do, they should not go on at great length promising all these things. Goodness knows, we had enough promises during the last election campaign which have never been met. The Government promised 6 per cent real increase in defence spending. If inflation goes beyond the 4 per cent limit, the Government is going to have a minus factor in the real growth of the defence budget. Yet it thinks that it is the great prince on a white horse, the great friend of the defence community of this country. The fact is that the Government has misled that community, and it has not kept its commitments. It has not even kept the 3 per cent commitment with the NATO Alliance. The Government says it will increase the budget, and at the same time this year there may well be a minus growth in that defence budget.

● (1220)

I wish to comment on the suggestion that there is tremendous growth in employment. My goodness, when listening to the speeches from the Government side, one would not think there was no problem in the country. Maybe the Members do not go home and visit their constituents enough. This morning I checked with employment offices in eastern Ontario, and I know what the figures are there. When people talk about growth of employment in Ontario as compared to the rest of Canada, let us get down to the particulars of that statement. Ontario's growth in employment does not relate to the growth of employment in northern or eastern Ontario because the growth is not in those regions. What is being talked about is the golden horseshoe of the Province of Ontario, and I wish to make that straight. There was a job increase of 127,000 in Ontario in 1986. In the country as a whole there was a 115,000 job increase. The Government brags about that. If there were

127,000 jobs created in Ontario, and 115,000 in the country as a whole, that must mean that in 1986 there was a net loss of 12,000 jobs in the rest of the country.

When we talk about the regions let us include northern Ontario and eastern Ontario with the other regions of the country where those job losses took place.

The Minister of Finance comes from Toronto, and he can stand and brag about the golden horseshoe, without mentioning it, of course, and say what tremendous growth has taken place there. He may well be right. But let us not forget that when Bill Davis and Leslie M. Frost, and the other great Tory Premiers led the Province of Ontario, they used to take all the credit for the growth of employment in the Province of Ontario. I guess it is only fair then that in the good Tory tradition of Tory Premiers of the past a Liberal Premier can step out front and say that it is because of his Government in the Province of Ontario that all the jobs have been created, it is certainly not because of the manner in which the Government in Ottawa is operating.

It has been mentioned in the House today that the deficit the federal Government is trying to cope with has been passed on to others. That is quite true. That is another item that unfortunately the Member for Kitchener forgot to mention. There have been added expenses passed on to the provinces because of the actions of the Government. That is not paying off the debt. That is passing the buck. Some of the provinces are not in a position to pay. If the provinces are not in a position to pay, then the people in those regions of Canada receive less services than those who live in the wealthier parts of the country. That is not in keeping with the 1940 Rowell-Sirois Report, which was a very good in-depth document that went into the financing at the federal-provincial levels.

The equalization programs have been attacked in order to help the Government reduce the deficit. We have to ask whose deficit is it at the provincial level? Is it the federal deficit that is being passed on to the provincial deficit? What about the municipalities of the country? What about the taxpayers at the municipal level? The whole thing seeps down to the municipal taxpayers.

I wish to comment on some of the other famous cuts that we have been hearing about. In science and technology there have been severe cuts in the National Research Council. On many occasions in the House I have raised the matter of the Algonquin Radio Observatory, one of the greatest telescopes in the world. It will soon be closed down, supposedly to save \$1.1 million in the Budget. But did the Government save this money? How many millions went into the famous prison in the riding of the Prime Minister (Mr. Mulroney)? The great institution that is the Algonquin Radio Observatory telescope would be able to continue operating for a further 30 years on the money that was wasted on the prison in the Prime Minister's riding. The Government then brags about all it is doing for science and technology in Canada. If that is not the reverse gear of science and technology, Canadians are wondering what is.