

*The Budget—Mr. Siddon*

unemployment. And now the tax rollbacks, which are necessary to get this economy working again, will further hamper the growth of revenues needed to offset spending. I do not advocate increases in taxation as a means of disposing of this problem. The big problem is the question of waste, the question of the ever growing margin of difference between the spending of government on the one hand and the revenues received on the other.

Canadians, and this includes members opposite are facing a devastating crisis. It is somewhat like approaching the edge of a cliff which is crumbling away and dumping load after load of rock and rubble over the edge to enable one to walk farther and farther out over the precipice. Mr. Speaker, the almighty collapse is soon to come if we do not take strong measures to implement means of restraint and to eliminate waste. This country is in for some devastating times in the decade ahead. In other words, a budget should offer more than a recitation of mere platitudes and half measures to stimulate. It should be more than a bump here and a bump there. A budget should deal positively with the question of restraint. It should deal with new initiatives to control the growth of government.

Indeed, given the present circumstances, it should stop the growth of government. A budget must provide all the information necessary, not only part of it, to restore the confidence of Canadians in the government which is managing their resources.

I suppose I entered political life at the federal level primarily because of the concerns I felt over some of the things our Prime Minister (Mr. Trudeau) was saying some ten years ago, of which Canadians did not take note. At one point, around 1969 I believe, he made the following statement which I quote:

I suppose one has to be in the wheelhouse to see what shifts are taking place. I know that we have spun the wheel, and I know that the rudder is beginning to press against the waves and the sea . . . but perhaps the observer who is on deck and smoking his pipe or drinking his tea . . . doesn't realize it; perhaps he will find himself disembarking at a different island than the one he thought he was sailing for.

I submit today, hon. members, that indeed the Prime Minister has been leading this nation on a voyage—a long voyage to fantasy island—an island as fantastic as the one depicted in the television series of the same name. In those days the Prime Minister also suggested that the Liberal party may turn out to be somewhat different than what we had traditionally come to regard as the Liberal party, a party which developed with some degree of respectability over the past century.

I submit to hon. members opposite that if they looked back over the last ten years they would see that the Liberal party has changed tremendously in terms of its approach to economic matters, under the leadership of the present Prime Minister.

The first thing we must do in dealing with the budgetary question is to predict the anticipated spending for the next year. Then we estimate the revenue available. Finally, we find ways to balance the budget. I know that the concept of balancing budgets sounds strange in a modern industrial world so dependent on investment; investment in our future. By failing to distinguish between capital spending, that is five-

year long-term budgeting, and an annual operating budget, this government has allowed the country to run uncontrolled for far too long. The people of Canada do not know what portion of the accumulated debt is purchasing real equity investment in the future of this country and what portion is being wasted through the many extravagant forms of abuse of access to the taxpayers resource.

I am disappointed that the budget introduced by the Minister of Finance does not come to grips in any way, shape or form with the question of controlling the rate of growth of government spending and eliminating the tremendously wasteful habits of the present government. These are ably documented in the one hundredth annual report—a condemnation of this government—which was filed yesterday by the Auditor General. The government cannot run the Post Office without incurring millions of dollars of debt. The government cannot run an airline without refinancing it from time to time with millions of dollars. These are either deficit dollars or taxpayers' dollars. How can this government propose to run a large corporation, such as Petro-Canada in an economically or fiscally responsible way?

● (1622)

The system of tax credits, the half measures, the gimmickery we are all talking about these days to get our economy moving forward again; the rebates, the filing of documentation back and forth with Ottawa to get a little off that tax penalty we are paying to the federal government, these are mere symptoms of the real problem in this country.

The real problem faced by the people of Canada is that taxes are too high in the first instance. I submit to this House that this introduces the concept of the tax revolt which was demonstrated in California in recent months. I submit that next June there will be a tax revolt in this country. The tax revolt will lead to the putting in place of a new government with new ideas to set the economy of this country straight.

This government is not totally honest. Perhaps that is a poor choice of words. This government is not telling Canadians the whole story when it files a statement such as the glossy budget of the Minister of Finance the other evening.

I wish to refer to some figures which the hon. member for Fort William (Mr. McRae) introduced into this House. He is not in the chamber this afternoon, but one evening last week he talked about the percentage of gross national product which rests in the form of debt. He pointed out that in 1952 we had 51.7 per cent of GNP residing in the form of debt, but that the percentage of debt, most of it having been accumulated through the war years, dropped to 18.7 per cent in 1978.

The hon. member for Fort William neglected to include figures for the years 1974 to 1978 which show that we went through, a minimum in those years in terms of percentage of gross national product, in the form of debt. The debt is beginning to take off again, not through the tremendous devastation and the costly burden of war, but because it is finally beginning to catch up and intrude upon the gross national product of this country in an ever increasing proportion.