

improvements into the airport. We built a major bridge across a large river. We built an armoury for our Armed Forces contingent. We built a large new provincial court house. We built a whole variety of small fire halls and community halls and we built rodeo, stampede and fair grounds. We built large highways and we replaced and built a sewage system. We installed sewage treatment facilities and water treatment facilities. Those are all public-sector activities. I have left out many of them including new wharfs, beach and park developments and so on.

Tallying up almost all of the economic activity that has occurred in the City of Kamloops and surrounding area in the last few years, I would guess that at least 90 per cent of it has been public sector development. The public sector has hired hundreds and hundreds of tradesmen and bought from dozens and dozens of small manufacturers. If that public sector expenditure is taken away, I wonder where the activity will occur. The manufacturing firms that locate in the Kamloops area often locate there because they are subsidized by an incentive program which provides \$500,000 worth of capital support or help with research and development and the like for locating there. Even private-sector companies that have located in the City of Kamloops often do so because of the support that comes from one level of Government or another.

If we blindly accept that the private sector alone will do everything and that there is no role at all for the federal, provincial, local or regional Governments to play, I will be very worried. With all due respect to my Conservative colleagues, it seems to me to be a little simplistic to say that the world will now change and we will rely totally on the private sector composed of small and medium sized businesses to create jobs that will employ one and a half million people over the next number of years. I think we are putting blinders on over the economic reality.

When being asked to give borrowing authority to \$18.2 billion, I am particularly concerned by the Government having assumed that all regions of Canada are exactly the same and that there are no real special difficulties in certain areas. We can tell the private sector that we have confidence in it to expand in Newfoundland and Labrador, Cape Breton and New Brunswick, Alberta and Northern British Columbia, but those areas are particularly hard hit. I see that the Hon. Member who represents Red Deer is present. He will know how sensitive the situation is in parts of Alberta and other parts of western and northern Canada. Now, at a time when we are taking so much money out of those communities through increased taxes, when we are reducing the increases that senior citizens may expect to receive in the years ahead, and when we are taking away \$512 from every family as a result of this Budget and at the same time as we are asking small and medium sized businesses to expand in those areas, we may be asking for a little too much. We may be making some unreasonable demands on and having some unreasonable expectations for just what that sector is able to do in these times.

Borrowing Authority Act

Some of the things that we found disappointing in the discussions that have followed this Budget and prefaced this request for \$18.2 billion were such things as the Government not really evaluating the 170 programs that are presently in place to assist business. There are 170 programs that in theory assist business. Many of them are valuable, but I suspect that many of them are totally invaluable and totally counter-productive. If we are trying to reduce expenditures, then rather than taxing senior citizens or, as someone said earlier in a very strong statement, putting the boots to the senior citizens, and rather than cutting back on family allowance increases, pension increases and raising taxes on the things kids buy in stores, would it not have been more sensible to evaluate these 170 programs that assist business in order to determine which of these could be eliminated? For example, should we be encouraging businesses through the tax system to modernize their plants so that they can lay off a number of employees? Should we be encouraging businesses through the tax system to merge with other businesses? This usually results in a net job loss. Is this the kind of way we should be spending taxpayers' money?

Again, there was no tax expenditure program with the Budget. There was no study of the 170 programs to assist business to determine which were useful and which were not. Again, this adds to the sense of the Budget being somewhat unfair. Perhaps the Budget was biased in favour of certain regions of Canada. Perhaps it was biased toward certain kinds of industries and particularly the large corporate sector. Perhaps it was biased toward upper income earners at the expense of ordinary Canadians and people with lower incomes. If we look closely at it, it provides a whole set of questions. It sends confusing messages to the regions of Canada, the taxpayers of Canada and to the people of Canada as to what direction, if any, the new Government appears to be taking.

● (1550)

It appears that we have now launched on a bit of an experiment. Last Saturday, major editorials in a number of Canada's newspapers were written about the trickle-down theory of economics. Various questions were raised as to whether the trickle-down theory has ever worked and whether it could work in Canada. For those people who are not familiar with the trickle-down theory, basically it means that if tax breaks or money is given to the large successful corporations and the upper-income earners, they will do things so that eventually some of those dollars will trickle down to ordinary Canadians. The idea is that if the large corporations and upper-income earners do extremely well, eventually it will come out at the other end.

That theory was tried in the United Kingdom. Margaret Thatcher gave a lot of tax breaks to upper-income earners and helped the big corporations. However, it would appear that things are not going that well in the United Kingdom in terms of getting unemployment levels down. Perhaps the trickle-down theory which was applied in the United Kingdom did not work quite as well as was anticipated. The Government of West Germany also tried that approach. However, unemploy-