

The Budget—Miss Grey

In some cases evidence of new inefficiency emerges. The Western Diversification Office will see its budget fall by \$24.8 million, but its staffing will rise by 120 person-years.

We see 226 new people for Revenue Canada to administer what was supposed to be a simpler tax system. I heard on the radio the other day that there is a sentence in the new tax form that is 62 words long. I am also an English teacher by trade. That is what we in my profession call a run-on sentence.

What is clear is that the taxpayers of Canada are again being asked to diet so that the public sector can have dessert. There will be new taxes of all kinds. There will be more taxes on consumption, on capital, on income, on sales, on the poor and on the not so poor.

For instance, the general federal sales tax is up \$1,140 million. I could go on and on about personal income tax and large corporations tax. However, the one that I think is very significant concerns the financing of the unemployment insurance program. For this year the figure is \$425 million. It will go up next year, when it is in the private sector, to \$1,900 million.

In the first year there will be \$3.5 billion in new taxes. For every one dollar in cuts there will be more than two dollars in new taxes. In the following year there will be \$7 billion in new taxes. That is \$3.50 for every one dollar in cuts. Only the rate of increase in spending is down. Spending in absolute dollars will rise by nearly \$10 billion this year. Let us ignore even interest charges for a moment. Program expenditures outside of defence will more than outpace inflation. Total government spending will be \$142.9 billion. It is \$1 million, for anybody who is interested in winning the lottery, times 142,000 nine hundred times over. That is how much money this Government spends. Is that this Government's idea of austerity? I hardly think so.

• (1730)

Until the Canadian public can be shown that money can be wisely spent, the tax grabs in this Budget simply cannot be supported.

The question for me is whether I will be able to support those expenditure reductions that are proposed. I will try. The Reform Party is not like the other opposition Parties. All I have heard them saying in this Budget debate unfortunately is: "Why are we cutting so much?" Our Party states quite unequivocally: "Why are we spending so much?" We have not even tapped into

the resource. We are just talking about the extra projection of growth.

However, asking my constituents to support the cuts is not going to be easy, because there are no cuts at the top. There are no cuts in the middle. There is no consistency in the cuts. There is no evidence even of a philosophy or rationale in the cuts that are proposed.

There is not even honesty in what has been done. For example, take the old age pension and family allowance. Universality has been removed but the Government tries to pretend it has not.

Then there is the bottom line. This Budget sees the deficit going up, not going down. They should not brag of a deficit of \$30.5 billion. All that says to Canadians is that we are going broke slower. That is not good enough for Canadian citizens. It is up \$1 billion this past year and \$1.5 billion this coming year. Borrowing is up over \$4 billion.

I may be a political novice but I am not politically stupid. There is no political constituency for this Budget. We cannot ask people to support a deficit reduction program that does not reduce the deficit. Now we see the price behind this Government's pre-election tax cuts, pre-election spending and pre-election promises.

I do not say these things glibly, Mr. Speaker. I believe that the Minister of Finance (Mr. Wilson) is an honourable man. Most Canadians believe him when he says he wants deficit reduction, but they do not believe his Leader or his Party and they cannot believe this Budget.

Last Thursday, I listened to the Minister because I believed he was the victim of an event beyond his control. But it is now clear that he is the victim of a fiscal situation beyond his control. He is unfortunately the victim of his own government, a government that claims to face the music on the debt but whose words for the past five years have not played that tune.

Since 1984, this Government has talked about reducing the deficit next year. Nobody is fooled anymore by projections of drastically dropping deficits four or five years hence. Debts are welling up like water behind a dike. We are supposed to believe that when the national debt hits 56 per cent of GNP it is going to somehow level off. It is at 53 per cent now. I doubt it. It is only a matter of time before the dike bursts and this Government, this Minister, this Prime Minister (Mr. Mulroney), all their sacred trusts and all their credibility will be washed away.