

*The Budget—Mr. Darling*

Progressive Conservatives in the lead with 52 per cent and the Liberal Government with 27 per cent. It is evident that they will be coming over to this side of the House at the next election.

Those of us who have been around here for any length of time recognize that there are two levels of perception at which a budget may be appraised. The first is the superficial impression created by the budget speech and the first cursory reading of the accompanying document. Generally this budget was favourably received except, of course, by the overt socialists to my left, as opposed to the crypto-socialists across the aisle who will not be happy until everyone is dependent on Government handouts, paid for exclusively by corporate taxation.

The second level of perception is the product of a slower, deeper and more careful appraisal. It is here that the sub-surface flaws of the program show up.

The first thing that should be observed is that the whole operation was based, while perhaps not exactly on fraud, certainly on the old smoke and mirrors trick which has already been mentioned in the House. The budget was billed as a triumph of consultation. We were assured, prior to its presentation, that the Minister had communed with all sectors of the economy, had listened to their concerns and recommendations and had made use of their particular expertise in its preparation.

While I obviously have not had the time to examine every submission made to the Minister, I selected that of the Canadian Chamber of Commerce as probably being one of the ones of greatest value to the Minister, given the declared aims of his budget.

The first recommendation made by the Chamber was that the Minister institute a \$2 billion retail sales tax cut. The result was that he increased it by one per cent. The Chamber recommended that initiatives directed at the direct stimulation of the economy be limited in scope and have an explicit termination date. The Minister gave us his Special Recovery Capital Projects totalling \$2.2 billion, with a termination date some four years down the road. That is not an explicit termination date. In the present economic climate, that is open-ended never-never land.

The Chamber recommended that individuals be allowed to withdraw funds from RHOSPs to buy home furnishings, and this bit of counsel the Minister did accept. We can give him full marks for that. In this regard I might say that when they heard the budget speech, those merchants and people considering buying white goods, such as stoves, fridges and deep freezers, were elated over being allowed to purchase them tax free. But of course when this measure was studied further, it was seen that only those people with money in RHOSPs would be eligible. Certainly the glamour of the benefits of that proposal was dispelled very quickly. It was similar to having the Minister say that he will allow a certain sector of the economy to buy fridges and stoves tax free for a certain period of time—I believe October 1, 1984—but qualifying it by saying that he will only make it available to people who are 25

or 26 years of age with blue eyes. One can see what little impact that will have on that particular industry.

The Chamber urged that job creation initiatives be funded by reallocating funds from other less urgent programs, just as businesses must forgo attractive investment opportunities when funds are insufficient to finance them, or as individuals must give up consumer purchases. When wants exceed the family budget, so too the Government must give up some otherwise good programs when the country cannot afford them.

Surely this is the most sage and germane advice that could have been given. Furthermore, it is advice the truth of which must be evident to every housewife in the nation.

The Minister is the man who spent money like water when he was Minister of Health, and who singlehandedly destroyed the resource industry in western Canada when he was Minister of Energy but who is now widely known as the pro business Minister and the Minister who listens. What did our Minister do? He went on a \$4.8 billion spending spree, which is eventually to be paid for largely by the taxpayers of 1984 to 1987 on a sort of "fly now, pay later" plan.

How responsible of him! How encouraging for the confidence of those upon whose confidence our ultimate recovery must be built! I sincerely hope that it is not he who manages the finances of his family, or we are about to see one more indigent dependent upon those anonymous sources who take care of down-and-out Liberals. Anyway, the score so far is one up, three down for the "Minister of Consultation".

The Chamber went on to say:

Only serious efforts to reduce the rate of growth in Government spending will convince business and consumers that the Government is serious in its commitment to non inflationary growth, and only an improvement in confidence will lead to the spending and investment necessary to generate a recovery.

That is quite a comprehensive description of what the budget is not.

Far from a serious effort to reduce the rate of growth of Government spending, we see a Main Estimates to Main Estimates jump of 18 per cent, a projected deficit that would have financed all the Government operations only nine years ago. What must surely rank as the most classic case of fiscal insouciance since Marie Antoinette said "Let them eat cake", is the plucking of a non-existent \$200 million out of thin air purely to salve the Minister's own ego after his celebrated photo opportunity. I am sure all Members would agree that this \$200 million was the most expensive allotment of funds for saving one job. Perhaps, for the duration of this Government, we should amend our Commonwealth anthem from "God Save the Queen" to "God save us all".

The Chamber next pointed out that corporations, when they are confronted by a liquidity crisis, are forced to dispose of assets in order to bring things into balance. It pointed to the number of Crown corporations that languish as dependants on the public purse that might move into a profit position if they were to be sold to the private sector. Needless to say, the Minister did nothing to disturb the status quo with that particular set of Liberal NDP sacred cows.