

Budget—Mr. Keeper

Mr. Blenkarn: Mr. Speaker, I think my friend made a remarkable speech. I was really impressed. I was also wondering if he had even bothered to read the Budget, let alone the Estimates.

At the outset he talked about foreign aid, but forgot the fact that we have increased aid to underdeveloped countries by \$450 million. He does not even give us credit for that. He talked as if it were cut back. Then he went on to the question of chocolate bars. Chocolate bars have been taxed all along. Did he not know that? Did he not know that we felt that if we are going to tax chocolate bars, then peanuts and potato chips ought to be taxed as well? After all, they are snack foods. Why, in the interest of fairness, would he not want chocolate bars to be taxed when peanuts and granola bars are taxed? Why would he not want the tax to be spread equally?

In his remarks he went further and talked about child care. He ought to know, if he has been around this House at all, that a very important committee report was tabled concerning this issue. He ought to know that the Minister of National Health and Welfare (Mr. Epp) is negotiating with his provincial counterparts to create a Canadian child care program. Yet according to him this should be included in the Budget even before there is any federal-provincial conference on the issue. Most unbelievable of all, he talks about tax reform as if it were never going to happen. He knows the Minister has undertaken to produce the report as soon as he can this spring.

I just want to know from the Hon. Member if he bothered to read the Budget or the Estimates.

Mr. Keeper: Mr. Speaker, I want to assure my friend that I read the Budget. I remember sitting here in this House listening to the Minister of Finance (Mr. Wilson) deliver the Budget. I appreciate the rhetorical flourish of the Hon. Member. He has a nice turn of phrase and, being a man of experience, knows how to do it.

The point I was making with regard to foreign aid is the same point I made about the Budget. It is a do-nothing Budget.

Mr. Blenkarn: A \$450 million increase is to do nothing?

Mr. Keeper: To illustrate that I made the point that official development assistance will be adjusted to save \$150 million this year. The Government reduced planned spending by \$150 million this year for official development assistance. I was not saying that the absolute level of development assistance had dropped, but the money to be spent had been taken out of the Estimates. That means a reduced commitment to development assistance. This comes at a time when we could be increasing our commitment and making our policies more effective. At present development assistance is tied to other things, and if we untied it then we could make it more effective and responsive.

The Hon. Member mentioned chocolate bars. He says we taxed snack foods because we already taxed chocolate bars. That is an interesting notion of fairness. It is kind of like

saying if I kick you once, maybe I should kick you twice. I can understand that this might be the Tory definition of fairness. However, I was simply pointing out that to tax children's candy at the same time that the Government fails to take any concrete action to provide the services children need is what I consider to be a do-nothing and unfair approach. The Hon. Member says we have to wait for the committee report on child care. We have to wait for the federal-provincial conference. Why bring in a Budget if it contains no plan of action? Why not take some action in the Budget? You do not have to develop the program fully in one Budget, but you could take a few steps forward, or maybe even one step forward. Why not put in this Budget some start-up funds for daycare? Why not take that first symbolic step to show good faith on child care?

The Hon. Member says I talked about tax reform as if it would never happen. Maybe it never will. We have heard about tax reform time and time again and so far there has been no action. How do we know there will be action? The Government has continued to raise taxes in an unfair way on ordinary Canadian families. Over the last couple of years it has raised taxes by more than \$1,350 per family, and this Budget does it again. How can we accept the Government's promises of tax reform as being credible when it is raising taxes on ordinary Canadians while reducing taxes for the wealthy and promising reform in the future?

Mr. Winegard: Mr. Speaker, I would like to ask my colleague two specific questions.

Mr. Oberle: Keep them simple.

Mr. Winegard: By what percentage did official Canadian development assistance increase in the Budget? As well, does he not agree that, all other things being equal, we should use Canadian goods and services in our official development assistance?

Mr. Keeper: I will deal with those questions in reverse order. Yes, all other things being equal, we should use Canadian goods and services. Why not? The problem is that the Government has failed to deal with the problem, indeed it is being exacerbated, because it has introduced into development assistance a commercial motive. It has even advertised this in the annual reports and booklets it sends to the business community. It tells them that this is their chance to get a contract involving development aid. The Government is emphasizing the economic benefit to Canadian firms of development assistance. The problem with that approach is that we have allocated that money to help the poor areas of the world. That is why Canadians support the expenditure. When you tie that aid to the requirement that it be spent in Canada, you distort the development process and priorities in the Third World country you are trying to assist. The aid has to be untied in order to be effective. Of course, if we preserve the priorities of development in the Third World countries so that our help is effective and the money well spent and at the same time we use Canadian products, great, we will celebrate that.