

circumstances. The Hon. Member linked the oil price rise in 1973-74 first with our export trade, then with investment, and finally with employment. Canada was unique among the OECD countries in having its own made-in-Canada price. The rest of the world's trading nations bit the bullet immediately and absorbed the price increase. Can he give us his analysis of the effect on Canada of having a made-in-Canada price at the time?

Mr. Langdon: Mr. Speaker, that could be answered in a long way or a short way. In view of the time let me answer it in the short way. The effect was to hold off by perhaps 16 to 18 months the economic downturn which hit the rest of the OECD countries. The economies of France, Britain and the U.S. faced massive deterioration in 1974. We did not begin to experience that until late 1975 or perhaps the beginning of 1976. However, we did not escape it because the collapse in the economies of our trading partners hit the demand for our exports, which in turn restrained business people in my community, for example, from making investments in factories or other forms of business.

Mrs. Sheila Finestone (Mount Royal): Mr. Speaker, it is with a sense of regret that I stand to address the borrowing Bill when I had hoped to address the Budget.

Mrs. Maily: You will make the same speech anyway.

An Hon. Member: You were not here.

Mrs. Finestone: The memory of Members across the way is very short and convenient. I was in the House.

Some Hon. Members: Oh, oh!

Mrs. Finestone: This borrowing Bill seeks \$22.6 billion, an increase from last year of \$4.6 billion. That is a rather sad comment because a borrowing Bill is one of the ways in which the Government expresses its options, political philosophy and direction. I suggest that this might indicate that at a time when we have had, according to the Government, an improved economic situation, of which the Government can be duly proud, and improvements in the general economy, we would not have had an increase in borrowing. However, the Government has shown poor judgment and no political direction. We have had bad decisions with respect to the Gulf transaction, which cost us about \$850 million in a tax ruling; we had \$1.5 billion given to the Northland and CCB. The Government says it is \$825 million, but by the time the bills are added up it will be closer to \$1.5 billion. The capital gains exemption will cost \$4.5 billion to \$5 billion by the end of the decade. The phasing out of the petroleum gas revenue tax will cost approximately \$8 billion until the end of the decade. Gasoline is going up and it is affecting everyone and everything.

Mr. Layton: Gas?

Mrs. Finestone: Yes, the cost of gas is going up. If you go to the pump and fill your tank you will be quite surprised at what the price is.

Borrowing Authority Act

Mrs. Maily: Because of the Liberal Government in Quebec.

Mrs. Finestone: Costs for farmers are up, therefore the price of food is up. Lower and middle-income groups are having a very difficult time. Perhaps if the Hon. Member across the way would stop talking and yelling she might learn something.

Mrs. Maily: Not from you, lady.

Mrs. Finestone: The debate on this Budget clearly reflects the loyalty of the Conservative Party. The Party is loyal to a few members of a privileged elite. That massive vote which brought the Government into power was a very important manifestation on the part of the voters who said, yes, it is time for a change.

Some Hon. Members: Hear, hear!

Some Hon. Members: More!

Mrs. Finestone: That is what they said in September, yes. I strongly recommend that the Government not test the waters now because I do not think Members across the way would be so happy at the voters' present reaction. They are unhappy, suffering from lack of leadership—

Mr. Lewis: Where is Jean Chretien when you need him?

Mr. Finestone: In order to understand the full effects of the Budget it is imperative that it be examined jointly with the May, 1985, Budget. That examination will prove that the onus is on the individual taxpayer and consumer to reduce the deficit. It is not the well-being of the people which is the major focus, it is the famous national deficit. The heavy burden is being placed on individuals as opposed to corporations and businesses. Over the next three years corporate taxes will decline and taxes on individuals will increase.

Few people will benefit from this Budget, and those who do are the people who already live comfortably. Even they are embarrassed at how well they come out in this Budget. The Government has decided in its second Budget to hit the average taxpayer again. This Budget clearly shows that the Government has no intention of promoting equal opportunities within the economy. It seems to be set on widening instead of reducing the ever-increasing gap between the well-to-do and the poor. There are presently 4.5 million Canadians living below the poverty line. They do not find the cavalier attitude of my Conservative confrères very pleasing. It certainly is not filling their stomachs. These people were hit hard last May and are being hit hard again. The reality is middle-class people on welfare, and soup kitchens. All Members have to do is to go into their riding and stop talking to the rich who supported them, but talk instead to the ordinary people who are very unhappy.

An Hon. Member: Particularly in Mount Royal.

Mrs. Finestone: This is a biased Budget. It does nothing for the poor, the unemployed, pensioners, youth, families or public servants. I do not know where these Members are from, but if