

Borrowing Authority Act

producing unit? Are we trying to become self-sufficient in terms of critical foodstuffs? Are we trying to open up new markets for our food producers? There is no direction and no vision. There is no sense at all of where we are going as a country in terms of agriculture.

I suspect one could go through all of the various sectors in this country, whether it be the auto industry, fishing, ship-building, transportation policy, resource policy, and a variety of other areas. The situation is as unclear today as it was yesterday in terms of where we are headed as a country.

I suspect you might be asking yourself, Mr. Speaker, what on earth am I getting at? Do I want some kind of a plan to show us the way? Do I want a road-map for agriculture in Canada? I have to say yes to that question. When the Edmonton Oilers from your community, Mr. Speaker, go out with a strategy to win the Stanley Cup, they do not just go to the game, put everyone on the ice and see what happens. They do not just go and slap the puck around. They have a very clear strategy, not only from game to game but from period to period. They have a very critical strategy.

When one is opening up a small business, one needs a plan with respect to where you are headed for the next two, three or even ten years. If you are running a family farm, you have a plan. If you run your life as a family person, or as an individual, you have a career or family plan. Somehow, we as a country, and we as a Government, have no plan. We do not know where we are going. We do not even know if we are there when we get there. We do not know if we are going in the right direction. It is like getting the family in the car and going on a holiday this summer without taking a road map along. It is like saying that we will try and see where we are going. That is one way of doing things. However, I do not think that if you looked around the world at successful countries which have developed economies and reduced unemployment levels, that you would find that ad hockery in those countries.

As New Democrats, we are concerned when we see a Budget which holds a different approach to a certain extent. However, we still see no blueprint for Canada. We do not see any strategy; nor do we see a development plan. We have profound and deep concerns that the future will be difficult to reach if we do not know where we are going. The situation will be difficult if we do not know what the future will hold.

What I believe we are seeing in this country is the sending out of a number of conflicting and confusing signals on the part of the Government. On the one hand, the Government says that it is providing tax incentives to keep the economy going. However, when one looks closely at other parts of the tax changes contained in the Budget, we notice, for example, that for a Canadian family with two dependent children, whose income is, let us say, in the \$34,000 to \$35,000 range, we have calculated that the elimination of the federal tax reduction will result in a \$100 increase in taxes for that family. Because of the modification to indexing, it will result in about \$115 in additional taxes.

● (1540)

The cut in family allowance payments means a decrease of \$22.50 in what people would be expecting. Again, because of tax increases, the average cigarette or cigar smoker and the average person who has a glass of wine or something to drink during the year will pay another \$75 on average. The sales tax increase touches everyone, rich or poor; it does not make any difference. This will mean \$150 in additional costs for the average family through this tax imposition. As well, another nine cents per gallon is levied on our gas charges through a gas tax increase, resulting in an increase of \$50. When those figures are totalled, they come to \$512.50 per family. I ask Hon. Members to think about that.

At a time when we are asking small businesses around the country to expand their operations by hiring two or three more people because the good times are coming, we are saying that every single family, through this Budget alone, will have to pay another \$512.50. This money will be dragged down to Ottawa because someone has to make up for all those tax loopholes that we have created.

Those folks who make their income from investments like the stock market, selling paintings or flipping real estate will pay no income tax at all on the first \$500,000. That means that they will pay no income tax at all for an income of a half a million dollars. Some people find that system to be confusing. The Minister of Finance is saying that the Budget is fair, but poor people will pay more taxes while rich people, if they can use the loopholes in the system, will pay no tax and a great many upper-income earners will get tax breaks. How is this fair?

As someone who is very concerned about the way the economy is moving, I am concerned that the economy will tend to move underground. I am concerned that because of the unfair tax system, we will find more and more people not declaring income. It will be like this: I will fix your teeth if you fix my plumbing at my summer cabin; I will build you a fireplace if you provide me with some clothing for my children. The whole thing will go underground. Cash and services will change hands, but we will not collect any taxes.

Some people say that the underground economy is worth \$30 billion today. Some people say that it is worth as much as \$50 billion. My fear is that at a time when we really need revenue more than ever before, we will be forcing more and more of that economic activity underground. This is something we have seen happen in a number of European countries.

I have other concerns about the direction in which things seem to be moving. I will use my own constituency as an example. It is a constituency which is pretty typical of those outside of urban Canada. The new Government with its new thrust is looking almost exclusively to the private sector for creating the jobs and the economic activity that is needed. There is a sense of support for that system within the country. However, when looking at the economic activity that has taken place in the City of Kamloops in the last number of months, one sees what is really happening. We built a new airport terminal and put hundreds of thousands of dollars worth of