

The Budget—Mr. Colin Cameron

given up trying to control or project the finances of the Canadian economy.

The minister admits that he does not know where the money is going to come from, and that he does not know the effects of the Kennedy round of tariff negotiations on the Canadian economy except that he expects they could be adverse toward certain Canadian industries. He admits that he does not know what will be the position of the government in respect of the Carter report. He admits that he does not know what will be the final result of the study by the federal-provincial committee on the fiscal structure. In his budget he admits that this government does not know how to give this country sound economic leadership. The finances of this country are out of hand. All this, of course, exists in the face of ever-increasing taxes imposed by this government.

• (3:50 p.m.)

Mr. Speaker, this house should be given an opportunity to express its disapproval of the gross mismanagement by the government of the financial and fiscal affairs of this Canada of ours. Consequently I move, seconded by the hon. member for Saint-Hyacinthe-Bagot (Mr. Ricard):

That all the words after "that" be struck out and the following substituted therefor:

This government has failed miserably to set an example of responsibility by its refusal to reduce taxation, by its reckless increase in governmental expenditures, thus contributing to the steadily rising cost of production to the great detriment of the Canadian economy and to the sharp increase in the cost of living, already over-burdensome to the Canadian people.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am rather at a loss to know how one can discuss a budget of this sort. In fact one is almost obliged to write a budget in order to afford an opportunity for criticism because this one has so little material content. We are told by the press, and we always believe the press, that there were 12,000 words in the speech given by the Minister of Finance (Mr. Sharp) to this house on Thursday night. It appeared to me that it was more in the nature of a sermon than an economic report. In fact I could almost see the minister in his Geneva gown standing in the pulpit, wagging his finger to the house and preaching the virtues of thrift and hard work.

I suppose one could say that the minister has shown his ability to care in a very efficient manner for the status quo, leaving it as it is. This is rather interesting at a time when the latest figures indicate there has

been virtually no economic growth in the last 12 months. In fact what the minister really is telling us is that he is going to hold us steadily at dead centre.

In order to criticize this budget one really would have to write a new one. There are, however, one or two suggestions I might make to the minister of things he could have done. Unfortunately he prevented himself from doing one of them when he gave an undertaking that the recommendations of the Carter commission report regarding depletion allowances and tax exemption privileges for oil and mining companies would not be imposed, I believe he said, for five years. So he tied his hands on that score.

Mr. Sharp: Mr. Speaker, I am sure the hon. gentleman would not want to create a wrong impression. What I talked about was a three year exemption. I gave no indication of my attitude in respect of depletion allowances.

Mr. Cameron (Nanaimo-Cowichan-The Islands): You are perfectly right. I am lifted up, but my optimism fades when I read the 12,000 words and find there is no mention of following Mr. Carter's recommendations in respect of depletion allowances despite the fact that many economists have been commenting on them with approval and have suggested that they should be implemented, even though the government quite rightly is not prepared to deal with the report *in extenso* until it has had an opportunity to analyse it and present the white paper which the minister promised the committee on finance, trade and economic affairs.

There is another point which it seems to me the minister could have covered without waiting for a comprehensive tax review in accordance or otherwise with the Carter Commission report. He could have reduced the sales tax in a selective way to encourage investment in those sectors of the economy which I believe most of us consider should be stimulated. I see no reason for the minister not having considered reducing it in a selective way with regard to materials for housing because I am sure he, like all of us, is only too well aware of the housing crisis which exists in Canada. A simple way to at least break this crisis would have been to have instituted a system of rebates on materials used in the construction of housing. One might split it up still further and suggest this should have been done in respect of housing for those people who are at a certain economic level. These would be minor, if you like, but nevertheless quite important alterations in our