

tional changes, presumably—and I wonder what the people would say. I suggest the people of Canada have had enough of the unemployment insurance schemes run by this government as another form of taxation. They would boot the Prime Minister out.

The next regressive form of taxation has to do with the Post Office. We asked the Postmaster General (Mr. Ouellet) what the increase in the stamp cost would be. He refused to say. Undoubtedly he has the figures, but he refused to say. It has been suggested by the hon. member for St. John's West that it will be 35 cents. The minister had plenty of opportunity to say he would not double postal rates, but he said nothing. Clearly he accepts the view of the hon. member for St. John's West, the former minister of finance, and that is probably what he will do. But does the Minister of Finance in this budget come clean with the people of Canada? Not at all. Does the Postmaster General come clean with the people of Canada? Not at all. The truth of the matter is that the Post Office change contemplated in this budget is a further tax burden of half a billion dollars to the people of Canada.

● (2140)

We talk about regressive taxation. The ordinary person pays the same for a gallon of gasoline as the millionaire. The ordinary person, the pensioner, the Indian on the reserve, pays the same for the oil that is put in his space heater or for gas to the gas company as the person who drives around in a BMW or a Rolls Royce. Yet this budget makes no difference in how these people are treated. When asked about that matter, the Minister of Finance said yes, but they gave the people \$35 more in the guaranteed income supplement. Well, he gave to some people who have to qualify for the GIS \$35 more, but, as was pointed out by my other colleague from St. John's, the hon. member for St. John's East (Mr. McGrath), most of that \$35, if it were applied to heating, would be used up just on heating. But what about the people who do not qualify for GIS, people who are too young to qualify or the working poor of this country? What about the income earners trying to support a family on \$21,500 a year who, under the budget of last year, would have received a grant, a tax credit, toward their energy costs? Does the minister do anything for them? Not on your life because this budget is a grab it, take it, grasp it, squeeze it budget out of the poor people, the ordinary people. This is a consumption tax, it is not a tax which taxes people on their ability to pay. It taxes people regardless. It is the most regressive form of taxation you can get.

The Solicitor General (Mr. Kaplan) said it goes after the oil companies. I will be damned if it does, sir, because the oil companies and the large corporations in this country have long since figured out how to pass a tax on in the price of the product. Do not think they will get stuck with the tax, they will pass it on. If the revenue tax suggested in the budget happens to be constitutional, they will pass it on, you can be sure. It will be passed on to consumers, so this is a tax on the ordinary people of the country, it is not a tax that is in any way progressive or in any way aimed at collecting from those who are able to pay.

The Budget—Mr. Blenkarn

Let us go on to what is happening in terms of expenditure. On page 29 of the budget the government states that its budgetary expenditures this coming year will amount to \$66.6 billion. But the budget is dishonest in that representation because it fails to take into account as a principal item the oil compensation fund, that \$2.50 a barrel—

Mr. Deputy Speaker: Order, please. It being 9.45 p.m., it is my duty, pursuant to section 6 of Standing Order 60—

Mr. Baker (Nepean-Carleton): Mr. Speaker, I rise on a point of order. I think it would be appropriate if the debate were allowed to continue until ten o'clock because an arrangement has been made among the parties that the ordinary question would not be put tonight but would be put at 9.45 p.m. next Tuesday. So I think it would be appropriate if the debate were allowed to continue.

Mr. Knowles: I think, Mr. Speaker, you will find it was agreed a few days ago—in view of the fact that there is no vote to be taken tonight but that the vote will be taken on Tuesday—that the debate should continue until ten o'clock tonight.

Mr. Turner: It was agreed that there will be two votes on Tuesday and, if necessary, the following Thursday.

Mr. Deputy Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Deputy Speaker: The hon. member for Mississauga South (Mr. Blenkarn).

Mr. Blenkarn: Mr. Speaker, as I was saying, the expenditures are shown as being \$66.6 billion, but the expenditure item fails to take into account the receipt in the oil compensation fund which will be a net \$3.470 billion next year. In reality, that, together with the Post Office and other matters, should be added to the true government expense. The true government expense next year will be \$73.65 billion, not \$66.6 billion, and that, sir, represents a rise in government expense, calculated on the same basis, of \$10.15 billion in one year. In other words, this government is going to tax more and spend more than any other government in the history of the country, and its rise in expenditures this year alone is in excess of expenditures of this government when the present Prime Minister took over in 1968.

The tax impact on Canadians is simply horrendous. It is a situation where we increase the take from Canadians by \$8 billion; we turn that take over to the civil service, the bureaucracy, the mandarins of this government, and we let them do what they will with it. I say to you, sir, they will not use it to reduce the deficit. They have no intention of doing that. What they will do is to spend it. So even having taken \$8 billion in additional revenue, this government has decided that it will continue to run an unbelievable deficit which, right through to the foreseeable future in this budget, is in excess of \$11.5 billion a year.