

*The Budget—Mr. Stupich*

fairness test discussed in an editorial in *The Globe and Mail*.

Earlier in my remarks I talked about the tremendous resources that we have and the tremendous capacity and how much more we could be doing for our own people. We also have an obligation to other people in the world who are not nearly so fortunate. We have an obligation and the opportunity to help them help themselves. We agreed that we would contribute .7 per cent of our Gross Domestic Product to official development assistance and foreign aid. We are half way there and have two years to go to meet the target of .7 per cent. It is not fair to ourselves. How can our representatives hold their heads up high in meetings of nations when Canada is failing miserably to meet a promise that was made to international development?

What can I say about VIA Rail? The Minister responsible stated that it was like trying to keep the canoes and the stagecoaches going when the railroad was built. In every other one of the seven most developed nations, other than Canada, each one is doing its best to build a modern, rapid, comfortable, and safe railway system for transporting people, and they are accomplishing it. Some countries have had that system for years and are still improving it, whereas we have been letting ours slide back. There is public pressure for this, and I hope that that public pressure will result in the Government changing its mind about this aspect of our policy. Let us examine the details of the Budget. The largest revenue measure in the Budget is the increase in the federal sales tax. The Minister of Finance (Mr. Wilson) himself calls it the silent killer of jobs. How can the Minister consider this to be a fair way to get more money from the economy when he knows it will be a killer of jobs? That is not fair to Canadians.

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We were led to believe the Government was going to finally introduce a financial margins tax that would bring in \$1.4 billion with respect to the banks, insurance companies and trust companies. Was it fair not to impose that tax on the Royal Bank, because of "technical problems"? There were no technical problems involved in any of the cut-backs we have talked about. There was

no technical problem with respect to increasing the federal sales tax. Yet when the Minister attempts to get money from the banks, there are technical problems that make it impossible to do so.

**An Hon. Member:** Called political problems.

**Mr. Stupich:** It may be technical problems or it may be political problems, but it is certainly not fair to Canadians when the Government is not getting the money it should. To the Government's credit, it has done something by imposing a large corporations tax. Instead of 89,000 profitable corporations not paying tax, only 85,800 will not pay tax. That is progress. Obviously, it is not nearly enough to be fair to Canadians.

There has been some discussion about the possibility of collecting the deferred tax or collecting interest on it. We have heard some description of the deferred tax, such as that given by the Member for Edmonton Northwest (Mr. Dorin), who is an accountant. He wanted to change the title of that tax so it would not appear as though the tax was really due at some later date.

According to the dictionary, "defer" means to put off to a later time, or postpone. Companies acknowledge that the tax is due at some later date. If you or I have that kind of debt with the Government, it charges us interest immediately. It seems quite reasonable to the New Democratic Party that interest should be charged on that deferred tax.

The purpose of the deferred tax is to enable the corporations to retain some cash in their accounts so they may expand their assets, pay out dividends or even swallow other corporations. I do not mind corporations having the cash, but at least we should collect the interest on the tax at the same rate that you and I are charged when we are behind in our payment.

The Budget also introduces the goods and services tax. There is no question that it is terribly regressive. I acknowledge that the opposition in this House will not be able to prevent the implementation of that tax. As much as I will fight it and talk about it between now and the time it is implemented, I still want to urge upon the Government to restrain itself in its temptation to give exemptions. Exemptions will not make it more fair. Exemptions will make the tax much more difficult to administer. Exemptions will be of greater benefit to