

*The Budget—Mr. Broadbent*

why we ought to be concerned about tax reform and the loss of revenue it means. In 1986 he wound up the corporate tax reform rhetoric once again just before Christmas. Then we see nothing in this Budget about tax reform, but there he is on *The Journal* after the Budget, and did he talk about the Budget? No, not at all. He talked about corporate tax reform.

Then he was asked a question by the journalists, and I hope he will clarify this. The poor journalists have a worse time with him than we do in trying to get the agenda. They were sort of saying to the Minister, "will you clarify this for us? Does this mean you are going to bring in a White Paper in the spring or maybe the fall, and does it definitively mean that by at least 1989 we will have corporate tax reform"? The Minister of Finance's definitive answer is, "well, no, I cannot guarantee it". He started in 1984, went through 1985, picked it up in 1986, gets on television on budget night in 1987 still talking about corporate tax reform. I say to the Minister that we are all getting sick and tired of it. Quit talking about it, do it, Mr. Minister of Finance.

*[Translation]*

The other matter which concerns Canadians throughout the country is fairness in regional development programs. Mr. Speaker, equal opportunities for all Canadian men and women is one of the basic principles of Confederation. Instead of preserving this principle, the Conservative Government is jeopardizing it by cutbacks to programs aimed at correcting regional disparities. This year, the Government will spend \$3 billion less than in 1984 for regional economic development. This decrease has been aggravated by major cutbacks to programs in the areas of transport, fisheries and agriculture. Equalization is also essential to achieve equity among the regions. The Conservatives have continued the process of cutting back federal transfers to the provinces initiated by the Liberals in 1982.

The changes made by the Conservatives to the equalization formula have resulted in lower payments for six out of ten provinces this year. For instance, Mr. Speaker, in the case of Quebec, these changes will have cost \$97 million last year and will have amounted to a cumulative loss of \$2 billion when the financial arrangements expire in 1992.

The Minister of Finance (Mr. Wilson) is turning a deaf ear to the claims of Quebec in spite of threats to bring the matter of the federal cutbacks to equalization payments before the courts.

Is court action finally the only way to get some action out of Ottawa? That is not an acceptable solution and the New Democratic Party finds such results unacceptable.

Mr. Speaker, it is time for the Conservative Government to deal with the problems of families in regions where unemployment is still unacceptably high. It is time for the Government to listen to the grievances of the unemployed worker in eastern Montreal, of the jobless Kootenay miner, of the laid-off Fort McMurray clerk, of the virtually bankrupt Prairie farmer and of the Newfoundland fisherman.

Mr. Speaker, it is time to put an end to the cutbacks and to see to it once and for all that regional equity stops being a dream and becomes a reality. Instead of emphasizing regional disparities, instead of abdicating its responsibilities to the regions, the federal Government must show some leadership and demonstrate that it is possible to work together as a nation to correct regional disparities.

• (1340)

*[English]*

I would like to make a couple of concrete points in this vein. As the Minister of Finance very well knows, we now have a series of federal-provincial regional development programs negotiated between the federal Government and each of the provinces. Since the last Throne Speech we have established the Atlantic Canada Opportunities Agency for our eastern-most provinces. Third, although nothing has yet been done about it, there was a commitment originally made at the First Ministers' meeting, subsequently discussed at Finance Ministers' meetings, and referred to in the House, to establish a program which would bring greater economic diversification to western Canada. Therefore, we have an Atlantic agency, a commitment to diversification for the west, and very specific regional development agreements negotiated between the federal Government and the provinces.

As I said, the Government has done nothing about this at a time when unemployment in most of the regions of the country remains as bad as it was at the depths of the recent recession. We need some action. Unemployment is high in most areas of the country and the federal Government should be showing leadership to turn that around.

I would like to make a couple of concrete suggestions about what could be done if we had a Government which believed that there is an activist role for a Government to play. In all candor, one of our fundamental problems is that the Minister of Finance, albeit intellectually honest, is a man of the 1930s instead of the 1980s in his thinking. Through his own personal commitment to market mechanism he can stand back and watch almost all of the economic growth, as well as the resulting jobs, take place within 100 miles of the centre of Toronto, because that is where the continental market forces have led. The Minister well knows that that is where virtually all the growth has been. It has been mostly in the automotive sector, and most of that, although not exclusively, has been due to stimulation from the U.S. market. If you leave this country to the North American market mechanism, that is the type of thing which will happen.

If, in a different time, there is a great demand for our resources due to circumstances outside of our nation, we could have stimulation for the export of our resources, but zero impact in our manufacturing core, resulting in a downturn in the area around Toronto when we could have expansion elsewhere. If you believe, as this Minister does, that the task of government is just to sit back and watch things happen, that is what will happen.