

*The Budget—Mr. Rae*

**The Acting Speaker (Mr. Scott, Victoria-Haliburton):** The hon. member for Longueuil (Mr. Olivier) on a point of order.

**Mr. Olivier:** Mr. Speaker, to my knowledge there is only one minister in the House now, and the Minister of Finance (Mr. Crosbie) also seems to be absent. Maybe he is writing a recommendation to the Sacred leader in order that the latter supports him when the motion is put, but it is unacceptable to the House and to the Canadian people that there is only one minister present in the House when we are discussing the budget.

[English]

**The Acting Speaker (Mr. Scott, Victoria-Haliburton):** I do not consider that to be a point of order, and I recognize the hon. member for Broadview-Greenwood (Mr. Rae).

**Mr. Bob Rae (Broadview-Greenwood):** Mr. Speaker, the champagne was flowing freely in the penthouses in Broadview last night at eight o'clock, just as it was in the tenement houses on the Circular Road in St. John's West. After all, imagine the eager anticipation on the part of the Canadian people at eight o'clock as they turned on their television sets. They were eagerly awaiting the promises of the Conservative government, the promises they were looking forward to: the \$2.5 billion tax cuts, the special incentives and tax write-offs for small businessmen, intensive capital programs for Atlantic Canada. Also, an end to big government was promised by the Prime Minister (Mr. Clark), and an end to high taxes. This is the government that was going to set the little guy free.

Imagine how flat that champagne turned at 9.20 p.m. when Newfoundland's gift to seventeenth century economics completed his discourse. It was not a tax cut, but a whopping tax increase—billions. Over \$3.5 billion in personal taxes alone were taken out of the economy and put into the hands of governments and oil companies. There was no action on interest rates. After all, the policies of "Bouey XVI" have been confirmed for yet another seven years. There were no capital programs. There was nothing for the poor, nothing for the pensioners. There was something for the private investors, and nothing for anybody else.

Some have called it a tough budget. Some have said that the budget was actually a courageous one. It was certainly tough on the average Canadian. While the Minister of Finance (Mr. Crosbie) swaggers down Main Street in his mukluks, he is tiptoeing softly through Bay Street and the corridors of power in Calgary and Edmonton. Somehow Clark Kent cannot find a telephone booth when he reaches the Alberta border. This budget is courageous only in the sense that the Charge of the Light Brigade was courageous: "Into the valley of death rode the one hundred and thirty-five."

In my remarks this afternoon I want to talk about the people of Canada, their jobs, and their standard of living. I want to suggest to the Minister of Finance that he start with the people of Canada, with their jobs, and with their standard of living. We ask ourselves: what does this budget mean for the average Canadian? First, it means punitive taxes. Second, it means

[Mr. Olivier.]

prices which continue to climb. It means jobs threatened, that nagging and gnawing insecurity which lies at the heart of every industrial worker not knowing whether he will be able to have his job for the next six months. Down the road it means no change in pension plans, which leaves so many Canadians uncovered and in poverty as they reach age 65.

Thanks to these wonderful projections from the Conservative government, we have been told that we will have no social programs because, as was confirmed again today, there is no money in the bill. Finally the bottom line, Mr. Speaker. Hon. members opposite are so proud of telling members of my party that we have never shaken hands with the bottom line. Well, I should like to introduce them to this particular bottom line. For the average family of four with one working spouse, the tax increases and price increases which have been imposed mean at least \$370, and a tax credit of \$110. If both spouses are working, which increasingly is the case, because so many families require both spouses working in order to make ends meet, those families will not get a single penny of the tax credit which is being offered to them by the Conservative government, not a single penny of it. Single parent families will pay just as much and receive an even smaller break.

Such a sizeable tax increase would be bad enough when our economy is already slowing down, but it is not just any old tax increase that this government has imposed. It is a hidden tax increase, an indirect tax increase, which makes it worse. I want to try to explain in simple terms which everyone will be able to understand why it makes matters so much worse. Let us look at what the government has told us. The government has told us that we must concentrate on energy conservation. So, we do not have an income tax increase. We have what they call a "conservation tax". The rise in unemployment insurance premiums of some \$800 million is to make the scheme look more like insurance. "It is not really a tax. It is in order to get the insurance principles back into the Unemployment Insurance Act." We were not told what the purpose of the tax on booze and cigarettes was. Presumably it is to pay for our sins, since we know that a deficit is sinful. We have been told that by the President of the Treasury Board (Mr. Stevens), so it must be true.

**An hon. Member:** It is "sin tax".

**Mr. Rae:** That is right, it is "sin tax". It is "Sinful", not sinful. What about these arguments? Of all the taxes which have been put before us, I want to suggest that the so-called conservation tax is the most dishonest.

I ask Mr. Speaker to think of an average family in my riding. I want to remind the House that my riding is in the downtown area of Toronto. Mr. Jones works in a factory in an industrial park on the outskirts of Toronto. Mr. Jones drives a 1976 model car. Mrs. Jones works downtown. She takes public transportation to work, and the children go to school by bus as well. They live in a house which is 30 years old. They have an oil furnace. As the hon. member for Mission-Port Moody (Mr. Rose) has said often, "Today there is no fuel like an oil fuel". Those are the people who are being lectured, being hectored,