

The Budget—Mr. Lundrigan

● (8:50 p.m.)

There was in the minister's budget speech, of course, no mention of the fish and chips part of the problem or, if you like, the fish and potatoes—as we call it in my province—part of the problem. I am talking about proposals by the Minister of Fisheries (Mr. Davis) who a few weeks ago announced that special tariff arrangements ought to be made between the United States and Canadian governments in order to allow marine products to go across the border free of tariffs. This would put our fish products in a very favourable position and would increase the competitive nature of our product. It would put more dollars into the pockets of the fishermen on the east coast, who depend largely on the sale of fish, as well as the fishermen on the west coast.

What about the tariff on potatoes produced in Prince Edward Island, or Spud Island as it is affably called at the present time? What about those farmers having to compete under difficult circumstances because of tariffs and not receiving a fair return? These are the kinds of tariff arrangements I would have liked to hear about. But we in this house will not hear anything about fish and chips issues, because, in my opinion, the problems of the so-called slow growth areas of Canada are not recognized by this government. The government is out of tune with these problems; it is so sophisticated in its policies and thinking that it will not consider any of these matters.

Mr. McGrath: Liberal red herrings!

Mr. Lundrigan: I will get around to that in a minute. Another policy of this government which has had a detrimental effect on a great many Canadians is the universal application of certain tax measures. We thought there would be no increase in taxation. I was getting excited about planning a holiday; then I realized that the minister had broken his word to the Canadian people and reimposed the surcharge, if you like, on income tax. The minister has made no effort to bring forward any kind of progressive taxation policy which would help those people who cannot afford to be taxed. In this regard I refer to the old age pensioner who earns \$1,100 plus a year and has to pay income tax. If you make more than \$1,100 as a single man or \$2,100 as a married man, you pay tax on those earnings. These people cannot afford to buy food, let alone pay taxes. But the income tax provisions are applied universally to all

Canadians and in consequence the lives of many of them are made much more miserable.

I would like to reflect for a moment on the minister's statement about the array of programs under the new Department of Regional Economic Expansion and the philosophy of the government with respect to same. I contend that this is a very misleading statement. Many people in Atlantic Canada and other parts of this country thought this was the biggest joke in the whole budget speech. I advise the Minister of Finance not to go to Atlantic Canada and tell that kind of joke. We do not mind Newfie jokes, in fact we get a great charge out of them; but we do not appreciate this kind of joke. It really is a joke, because we have the highest rate of unemployment in Canada, and have had for many years. We have the highest cost of living. New Brunswick is on the verge of bankruptcy. Quebec is facing financial constraint. Newfoundland is politically, in one big mess as far as the Liberal party is concerned. However, I will not become involved in that question. We in Newfoundland have an economic situation that is so unfavourable it is almost unbelievable. In spite of these things, the minister tells us about the great array of programs available for our benefit.

If the provincial premiers cannot take a little of the starch out of the hard-nosed attitude of the Minister of Finance and the hard-hearted attitude of the Prime Minister (Mr. Trudeau) in the next few days when they are here, I will be very disappointed. I hope they can do this in their conversations about tax-sharing and the constitution, which are the biggest excuses for not doing anything that I have ever heard. If they do not, I will be a disappointed Canadian. The pseudo strait-jacket of the constitutional argument is one of the biggest farces ever perpetrated. Every time one talks about becoming involved in human resource development, the revision of tax sharing arrangements, and so on, this is the kind of argument we get from the government.

I contend that the government has no policy of regional economic expansion; it has no policy of regional development. Many European countries which have been faced with the same problem show that Canada is perhaps not as aggressive as she should be with regard to regional development. Regional development and regional disparity are defined basically as applying to areas in