

Borrowing Authority Act

result directly in an increase of the unemployed, and under a free trade agreement with the U.S. we would be unable to retain our social programs and our cultural heritage and, most important of all, the sovereignty of Canada as a nation. The resolution concludes that the Municipal Council for the Town of Amherstburg fully opposes any bilateral free trade agreement between Canada and the United States.

This week the City of Windsor indicated its opposition through Resolution 1099/83 to such a free trade agreement. It states that such a free trade agreement is expected to cause severe and widespread dislocation of industries, as well as placing hundreds of thousands of jobs in jeopardy. It suggests as well that negotiation for a free trade agreement will include demands from the United States for the elimination or weakening of vital social programs and that U.S. demands for a "level playing field" will mean an end to Canadian government programs which encourage regional development and job creation.

In short, the opposition to free trade is growing as the lack of knowledge and sensitivity of the Government continues to be demonstrated. It is for this reason that we believe the vote to give the Government yet more borrowing authority for future use must be put off as long as possible.

The Government has retreated to insult instead of reason in its attempt to sell free trade to Canadians. We have a Prime Minister (Mr. Mulroney) who travels across the country talking about free trade opponents as being timorous and fretful.

The Acting Speaker (Mr. Paproski): I apologize. I regret that the Hon. Member's time has expired.

Mr. Langdon: May I finish my sentence, Mr. Speaker?

The Acting Speaker (Mr. Paproski): Certainly.

Mr. Langdon: We regret the sense of insult on the part of the Prime Minister and have called on him to attempt to treat the serious question which greatly affects the future of our country with the honesty and openness which he has so far lacked in presenting his case to the people of Canada.

[Translation]

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): Mr. Speaker, I would also like to say a few words this afternoon in the debate on the Government's Borrowing Authority Bill.

First of all, I would like to draw a parallel with the situation where a person goes to the bank to borrow money. The first thing the manager does is the analyze the facts and information he is given to ensure that those facts and that information are not just a façade and that they have real content and substance.

Today, if this Government had to undergo the same kind of test and examination it would fail. And this is because we are dealing with a Government that is terribly concerned about appearances, and when we look behind the façade, behind the public relations act, there is nothing, no content, no substance.

All you have to do is analyze the Nielsen Report. In the fall of 1984, it was announced with a great deal of fanfare that a group of professionals, Canadian businessmen working without remuneration, would carry out a study to examine the Government's programs, and we were told that this was a really serious study. And now, after nearly a year and a half, we have twenty-one volumes, not one book but twenty-one books, and after some quick scanning—it would take months to read them all—we found there was nothing new. We knew it already, even before the study got underway.

The sad thing about this report, Mr. Speaker, is that most of the so-called options or recommendations have already been adopted. Just look at Bill C-80, which arises from the Nielsen Report and which was in the May 1985 Budget, and a Bill that was passed not long ago. I can name at least two items from this legislation, including removal of the sales tax exemption for drugs. Today, if we don't have medicine and we need aspirin, we have to pay federal tax. It is no longer exempt. This measure, for instance, raises \$510 million.

And what about construction, Mr. Speaker? In three years, construction materials . . . They are going to bring in this new tax, and in eight months they got an 8 per cent tax increase which is going to give the Government \$1.5 billion in three years.

Of course, the report dealt with the possibility of taxing footwear and clothing, but they could not deal a new blow to the industry every month. In November, they had abolished the quotas on footwear, and if they had also imposed a sales tax on footwear and textile, I wonder what would have happened to the industry.

That it is all, Mr. Speaker. In the Budget of February 1986, the Minister announced new taxes. There had been a preliminary study on the value added tax. Its name has now been changed to business transfer tax, but if we look closely, we find that it is the same thing. Only the accounting has changed a bit, but we shall be able to examine all this in detail when the Minister of Finance (Mr. Wilson) presents his great White Paper, which, thanks to the Hon. Member for Mississauga South (Mr. Blenkarn), we now know will be tabled on April 15, and as soon as October 1986, we can expect a new 7 or 8 per cent tax.

As you can see, Mr. Speaker, the Minister announces what will happen bit by bit, but it is always the same. It is quite easy. The Government says that it is reducing the deficit. However, when we look at how this is going to be done, some serious questions should be raised. There are two major sources of revenue. First, there is oil, for which the Budget gives an estimated price of \$22.50, and we all know how low prices have fallen. As for interest rates, the Minister expected them to be at 9.5 per cent and they are still at 12 per cent. Again yesterday, Mr. Speaker, I received from the Minister of National Revenue a communiqué announcing that, from April 1 to June 1, 1986, interest rates on taxes payable by Canadians