

The Budget—Mr. Riis

by Statistics Canada, I find that the growth rate in 1984 was 5.5 per cent when the Government took over the administration. In 1985, it dropped to 4 per cent. In 1986, it dropped to 3.3 per cent. The Minister of Finance projects that in 1987 it will be 2.8 per cent. In other words, while the Conservative Government has been in power, the growth rate has been dropping year after year, and the Minister of Finance predicts it will drop again this year. He states that they are on target, that the growth rates are what they have been working towards. One assumes that they must be improving, but the facts are that the growth rates are declining year after year.

I could go on in terms of this "fudge-it" Budget. In the last Budget the Minister of Finance predicted that the deficit for last year would be \$29.5 billion. In the Budget the other day the Minister of Finance said that it was not \$29.5 billion, it was \$32 billion. In other words, the Minister of Finance did not come close to what he projected 12 months ago. The assumption in the country is that the deficit is going down year after year. The Minister of Finance's projections were out by \$2.5 billion.

If the Government is on course, its programs are on course and its strategy is on course, then it begs the question, on course for whom? Who is benefiting from this course that the Government is on? In looking at who is paying for what, it will be noticed that since the Conservative Government has taken power, corporations have actually paid \$2 billion less. In other words, corporation taxes collectively have gone down. The corporate sector has done and is doing extremely well when it comes to taxes. But when you look at people and personal taxes, the situation is dramatically reversed. While corporations have had a \$2 billion drop in taxes over the life of this administration, people have paid an extra \$22.8 billion in increased personal taxes. That is a serious increase, which averages out to \$2,000 for every man, woman and child in Canada. That is incredible. I do not expect that there is a time in Canadian history that over a two-and-a-half-year period the federal Government has managed to drop corporate taxes and increase personal taxes so much. It has been accomplished by the Government.

We heard earlier in today's debate that the slogan now will be, "Make the kids pay". Make the kids pay additional taxes. Widen the tax base to include the snack foods that young people tend to buy, and raise an extra \$60 million year after year. On top of that, we have seen the sales tax increase once, twice, three times. When the Conservative Government took over power, the sales tax across Canada was 9 per cent. Today it is 12 per cent. That is an increase of 3 per cent in less than three years. It is not only an increase one, two, three times, but it is also a broadening of the tax base to include all types of things that hitherto had not been federally taxed. As a result of this most recent Budget we now include snack foods that young children tend to use.

In terms of the "fudge-it" Budget the assumption is that there is some equality in the Government's programs. But when you look at the facts as they are applied to our tax

system and the taxes that have been levied by the Government, you find that they are extremely discriminatory against people and in favour of corporations. They favour upper income earners and are against low and middle income earners.

When the Prime Minister was speaking in Quebec before the Budget, he mentioned that money for regional economic development will be very thin. I am afraid that he was wrong. Money for regional economic development is non-existent and has been reduced. The question that must be asked is, have the Minister of Finance and the economic Ministers in the Government travelled around Canada? Have they been outside of Metropolitan Toronto?

Mr. Hockin: Yes.

Mr. Riis: Have they been out to northern Alberta?

Mr. Hockin: Yes.

Mr. Riis: Have they been out to British Columbia?

Mr. Hockin: Yes.

Mr. Riis: Have they been to Atlantic Canada, and visited parts of Newfoundland where the unemployment rates are 35 per cent? Have they visited central British Columbia where the unemployment rates are close to 25 per cent? If they have, why did they not do something about it? Why do they accept the human tragedy that is unfolding as a result of the extremely dramatic high levels of unemployment in the regions of Canada?

What I think has to be the most alarming, shocking, astounding figure that I have read in the last number of weeks is regarding the number of real jobs that were created in Canada in 1986. The net number of jobs created in Canada in 1986 was 137,000. To some people 137,000 new jobs is a reasonably impressive record. The critical point is that out of those 137,000 new jobs created in 1986, 132,000 were created in Ontario. In other words, 96 per cent of the new jobs created in this great country were created in one single province. They were not even equally spread out in that province. The lion's share of those jobs occurred in Metropolitan Toronto and the surrounding area. They were by and large tied to the automotive industry which the Government is now failing to support. That is an incredible statistic.

When the Government talks about the jobs that are being created, when it talks about its success at job creation, does it mention to the representatives from the Northwest Territories, western Canada, Atlantic Canada, northern Ontario, and Quebec where those jobs were created? Do they explain to Canadians that virtually all the jobs created last year were created in a very small portion of Canada, mainly in the greater Toronto area? Yet people talk about the initiatives that this Government is taking in regional economic development.