

S. O. 31

Every area of the region will feel the economic benefits from this giant project and many new industries and services will be generated.

On completion, the fixed link will be one of Canada's major tourist attractions. The fixed link will also remove trade barriers between the provinces and create a whole new era of interprovincial co-operation.

This privately funded project will be the focus of the Atlantic and its potential. It will give all Atlantic Canadians a sense of pride and provide a very tangible turnaround for the region after a serious of setbacks.

I call on the Minister of the Environment to ensure that the current study is expedited and completed as soon as possible. Finally, I call on the Minister of Public Works to warm up his bulldozer and let us get this show on the road.

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GOODS AND SERVICES TAX

Mrs. Beryl Gaffney (Nepean): Mr. Speaker, during one of the two Nepean town hall meetings held on the goods and services tax, a resident presented a brief outlining the effects the goods and services tax had on the country of New Zealand.

He told the meeting that in 1985 the New Zealand Government began the move to free trade and free market policies.

The New Zealand dollar was devalued, controls on interest rates were abandoned, tariffs were reduced, restrictions on foreign investments were lifted, banking and finance were deregulated. Almost all supports for agriculture were removed and even marketing boards were under attack. Transport was deregulated. User fees were placed on all government services. Universality was ended for all social programs. Regional development stopped. The national energy plan was scrapped. No government services were to be guaranteed even for public utilities. A total of 432 rural post offices were closed. State enterprises privatized included Air New Zealand, Petrocorp and the Development Finance Corporation. The result of all this led to a depressed and stagnated economy.

Isn't it frightening that we see the same thing happening here in Canada today?

THE ECONOMY

Mr. Lee Richardson (Calgary Southeast): Mr. Speaker, the people of Calgary southeast know our country must eliminate our massive debt. They are even prepared to pay more taxes to cut the debt. But they are only prepared to do so if the government also cuts back on wasteful and inefficient spending.

Before Christmas the President of the Treasury Board announced a series of spending cuts. Those were by no means the first cuts. This government has saved billions of dollars by cutting programs, privatizing Crown corporations, including Air Canada, and reducing the civil service the level it was in 1973.

The Minister of Finance has done a tremendous job in bringing spending under control. As he prepares for a new budget, I encourage him to continue his worthy efforts to cut costs.

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REGULATORY REFORM

Mr. Douglas Young (Gloucester): Mr. Speaker, the government announced its intention to reform financial regulation in this country in November, 1984. Five years and four ministers later, the government still has not ended the regulatory uncertainty and confusion.

Regulatory reform in Canada is lagging behind profound changes in the financial sector. Failures, takeovers and mergers in this sector have continued. Canadian financial institutions are falling behind their competitors in both domestic and international markets. Now the government appears to be ready to allow American Express to set up a bank in this country before appropriate legislation is put in place.

The government must ensure there is a level playing field in Canada before opening up the financial sector to foreigners.

Committee reports and vague promises must turn into concrete action. I urge the government to act soon to establish national policy and a regulatory framework for financial institutions.