

The Budget

I want to emphasize also that this government gives us sound management. Since 1984, if we exclude interest costs on the accumulated debt, we have surpluses in operational budgets.

Furthermore, we have just done away with 46 government agencies which did not amount to much in the eyes of the Canadian public. In so doing, we are saving \$22 million a year.

We often hear people, constituents from my riding, say that the Senate is expensive. You know that \$22 million is approximately half the cost of the Senate and over a five-year period, we can save \$1 billion. These are savings again, not expenditures.

Naturally, we have decreased the salary of the prime minister and the other ministers and it is not the first time we do so. It might seem very little but if we had done the opposite we would surely have been blamed for it. We decreased salaries and it is commendable.

Of course some corporations will be privatized and my colleague from Don Valley-North mentioned child benefits. All in all, I think this budget is an extraordinary one and I am convinced it will have an impact for years to come and it will revitalize the Canadian economy.

[English]

Ms. Catherine Callbeck (Malpeque): Mr. Speaker, the hon. member started his speech this afternoon by saying that it is a remarkable budget in response to the needs of the population. He went on to talk about the tax cuts of 1 per cent on the surcharge.

We have to remember that it is this government that has raised taxes 33 times since it came to power, including the GST.

This 1 per cent that he talks about for a family of four with a \$15,000 income amounts to \$2 a year. I do not understand how the hon. member can call that remarkable.

On the second point, he said that the budget responds to the needs of the population. I have a very simple question to ask the hon. member. If he says that the budget responds to the needs of the population, how does it respond to the needs of the 1.5 million people who are unemployed?

[Translation]

Mr. Joncas: Mr. Speaker, in her question, my colleague says that this government imposed taxes including the GST; this tax system had already been planned for a long time. It had even been discussed when her party was in power.

When the GST was implemented it was clear in the government's mind that it would enable us in future years to lower the personal income tax rate.

Very often workers tell us that it is no use killing oneself working or earning a little more if the government takes more in taxes. They have no choice. If they earn more, the government taxes it away. With the GST, we can have lower income tax rates and decide ourselves whether to consume or not and indirectly to pay tax or not, which is not the case with income tax. I believe that the orientation of this kind of tax, the GST, is good for consumers and they understand it more and more.

Mr. Benoît Tremblay (Rosemont): Mr. Speaker, I heard the hon. member for Matapédia—Matane say in referring to the budget that it would reduce the deficit. I was born in his riding, Mr. Speaker, and the unemployment rate there is now between 30 and 35 per cent. There is nothing about fighting unemployment in this budget either in the regions or urban centres.

However, the most outrageous measure this budget contains is probably the cut affecting co-operative housing. Housing co-operatives are a proving ground for entrepreneurship where people with modest incomes develop a sense of solidarity so that together they can become homeowners. The budget does contain home ownership incentives for people who are well off but the co-operative housing program has been cut altogether. This reflects a total lack of concern while at the same time the government says: We are concerned about children, about poor families, and we have overhauled the family allowance system. We will give you a cheque, but don't try and do anything for yourselves. Don't try to develop any solidarity with the kind of groups I have in my own riding, Mr. Speaker, such as the *Société populaire d'habitation de Rosemont* and the *Ateliers populaires du Plateau Mont-Royal*, which help people to take control of their lives.