

S. O. 21

Mr. Deputy Speaker: It is unfortunate that we cannot continue the question and comment period. I know the Hon. Member for Kitchener (Mr. Reimer) would like to ask a question. However, we must resume debate with the Hon. Member for Winnipeg North (Mr. Orlikow).

Mr. David Orlikow (Winnipeg North): Mr. Speaker, during the election campaign, the Prime Minister (Mr. Mulroney), who was then Leader of the Opposition, said that the real, major issue, in fact the only issue in the election campaign, the issue on which the public should judge the political Parties, was jobs, jobs, jobs. Despite the promises of the Prime Minister, and despite the claims that his Government has created hundreds of thousands of jobs, the fact is that there are still a million and a quarter Canadians unemployed. The fact is that in the *Budget Papers* which accompanied the Budget presented by the Minister of Finance (Mr. Wilson) some weeks ago, it is predicted that unemployment for the next few years will continue at the unacceptably high rate of 9 per cent.

What has happened? Instead of concentrating on the Prime Minister's election promise of jobs, jobs, jobs, the Government has concentrated on its determination to reduce the deficit which it claims has had such a disastrous effect on Canada. Along with the deficit, the Government has talked about the tax changes it will bring in, tax changes which will give us a simpler and fairer tax system.

Let us look at the record of the Government. The Government has now presented three Budgets and a financial statement. We have seen that deficit reduction has been its real priority for three years running. Tax reform to this Government is something for the future, something which we may get, and even that I doubt. I doubt that tax reform will give us a fair tax system under which those who can afford to pay and should pay will pay their fair share, instead of having poor and middle-income people who have for so many years over-paid continue to pay the unfairly high share of taxes they have paid.

There have now been three Budgets and a financial statement which have had the effect of increasing taxes for ordinary Canadians. Every Budget brought forward by the Minister of Finance increased income tax rates, sales taxes and excise taxes and imposed a host of fees and charges for services provided by the federal Government to meet the needs of the Canadian people. We have estimated that the increases brought in by the Government in the last three years will cost the average Canadian family \$1,350 this year. Not only have costs to the ordinary Canadian risen, virtually all social programs, including one to which the Government said it was firmly committed, child care, have either been cut back or put on hold.

The Government has ignored the very real momentum which has built up in the feeling of need for a major reform of the tax system. The Prime Minister realized that the feeling for that was made clear in the debate which took place between the Leaders before the election. At that time, the

Prime Minister promised a minimum tax so that no Canadian with an income which should be taxed would not be taxed. Many Canadians with high incomes had been able to avoid paying any income tax at all for years. That promise has been largely ignored until now.

The Government has shifted a considerable amount of the federal Government's debt onto the provinces because of continued reductions in federal expenditures. It has changed the formula for transferring funds under the Established Programs Financing through which the federal Government pays its share of the cost of post-secondary education and health care. The Government has also cut back on equalization grants and various forms of regional development spending. As a result, we have seen a sharp increase in the deficits of most of the have-not provinces. The Province of Saskatchewan announced a few days ago that it would have a deficit this year of \$1.2 billion and that it would cut services and lay off 2,000 employees. Alberta has a huge deficit and the Province of British Columbia has a deficit of over \$1 billion. The Atlantic provinces, which are so dependent on the federal Government for financial aid and which are among the most have-not provinces in Canada, have seen their deficits skyrocket again. That is one of the most unfair methods used by the federal Government to reduce the deficit which it says is so detrimental to the country. May I call it one o'clock, Mr. Speaker?

Mr. Deputy Speaker: It being 1 p.m., I do now leave the chair until 2 p.m. this day.

At 1 p.m. the House took recess.

AFTER RECESS

The House resumed at 2 p.m.

STATEMENTS PURSUANT TO S. O. 21

[Translation]

CANADIAN SPACE AGENCY

DEFINITION OF ROLE

Mr. Jean-Robert Gauthier (Ottawa—Vanier): Mr. Speaker, the Conservative Government reduces the National Research Council budget by tens of millions of dollars because, first, it wants to invest \$824 million in Canada's space program and create a Canadian space agency.

Second, it privatizes Teleglobe Canada, the only Canadian international satellite communications company.

Third, the Tory Government negotiates with Lavalin and Bell Canada to transfer to the private sector the mapping and remote sensing services of the Department of Energy, Mines and Resources, a deal allegedly worth \$55 million.

Given the fact that the \$824 million earmarked for the space program include \$247 million for remote sensing and \$207