

permitted private pension funds to invest some \$30 billion outside the country. When the Minister of State for Finance (Mrs. McDougall) was asked why she would permit this \$30 billion outflow of capital which will mean hundreds and hundreds of thousands of Canadian jobs, she said that the companies asked her to do so because they wanted to go where they could get the best rate of return.

That sounds to me strangely like the kind of mentality and the kind of position expressed by the Prime Minister when he told *Fortune* magazine that Canadians cannot compete, that Canadians cannot offer the best rate of return, so let us send our billions and billions of dollars of pension funds out of the country to the United States and to Europe; let us send our capital gains write-offs of half a billion to purchase diamonds in South Africa or condominiums in Florida.

If this Government had an ounce of conviction about Canadian job creation and if it had an ounce of conviction about reducing the deficit, not on the backs of those who can least afford to pay, at the very least it would have made provision in this Budget for tax measures which would have ensured jobs in Canada for Canadians. But we see quite the opposite, Mr. Speaker.

With a single flick of the pen, the Minister of Finance has said to people in charge of pension funds across Canada, "Take your money elsewhere. Do not invest in Canada. Do not invest in Canadians. Go to Switzerland, go to England, go to the United States. Go where you can get the best rate of return". Any economist will know that this \$30 billion potential outflow of capital from Canada will not only result in the loss of hundreds of thousands of jobs, jobs which allegedly the Minister of National Health and Welfare and the Minister of Finance are here to protect, but it will also result in a further depression of the dollar, which has been driven to new lows as a result of Tory policies.

The purchasing power of those senior citizens, who are already being grabbed for \$30 a month as a direct result of tax measures, will see their purchasing power further decreased by a dollar that will have less and less value on the international market.

● (1630)

Those same economists will tell us that this particular measure in the pension fund will result in an unprecedented level of inflation for Canadians. It shows quite clearly that the Government does not have faith in Canada. The Government does not believe in investment by Canadians in Canadian jobs for Canadians. The Government does not believe in indigenous industries which are not based upon a multinational influx of capital that will leave as soon as times get tough. The Government is only interested in lining the pockets of the rich, the pockets of the wealthy, and the pockets of those Canadians who financed the campaigns which led to its election.

For the first time Canadians can finally see the face of the Prime Minister and the face of the Government. When times get tough, they look to our senior citizens, to people who are now living below the poverty line, to pay the price for the gifts

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they are giving to their cronies and friends. Again I am speaking about the \$500,000 capital gains tax write-off. Most senior citizens could not think of earning and putting together \$500,000 in their lifetime, never mind setting it aside for a capital gains write-off. Most senior citizens are scraping so that perhaps they can have one meal of meat in a week. This did not stop the Minister of Finance from giving another little loophole to all people who travel abroad. The Minister of National Health and Welfare did not mention that in his cut-back discussions. He did not tell Canadians about this other little goody, that the Minister of Finance had decided that anyone who left the country for more than 48 hours would be allowed to bring in \$100 of goods tax-free. Presumably most senior citizens who are earning the base OAS and the GIS are not in a position to make trips very often outside the country.

Who will be the beneficiary of this particular tax write-off? Presumably it will be business people who travel for a couple of days of meetings in New York or in Washington. Presumably it will be politicians who travel outside the country. It certainly will not be the ordinary steelworker or ordinary senior citizen who will have the chance to take advantage of this other giveaway by a Minister of Finance who seems intent on propping up his friends in high finance at the expense of ordinary Canadians.

I think there is unrest in the Tory ranks. For the first time we have seen Conservatives who have the courage to stand either inside or outside the House and dissociate themselves from the policies of the Government. I know they are receiving telephone calls. I know they are receiving responses from angry, hurt, betrayed and distrustful senior citizens who are saying to them: "I voted for you. I cast my ballot for the Conservative Party because I believed the Prime Minister when he said that universality was a sacred trust". They cast their ballot for the Conservative Party because they believed it when the Minister of National Health and Welfare promised that he would not touch the indexation of the OAS and the GIS. Those people believed the Conservative Party but, in one fell swoop, in one budget measure, a message has gone out loud and clear to Canadians, especially senior Canadians, that the Government and its Prime Minister cannot be trusted to keep their word.

[*Translation*]

Mr. Speaker, I was glad to see that a number of Conservative Members had the courage to speak out, either in the House or outside the House, and tell Canadians that they did not agree with the Wilson-Mulroney measures. I want to urge all Members who have a conscience and who want to meet the needs of the neediest in Canada to rise and speak out. If we work together, we could take the advice of the Right Hon. Prime Minister (Mr. Mulroney)—

[*English*]

He said in his book that to compromise was not a sin, that he believed he could back off when he had made a mistake. The Government has made a mistake. Let us all get together