

HOUSE OF COMMONS

Friday, May 24, 1985

The House met at 11 a.m.

● (1105)

STATEMENTS PURSUANT TO S.O. 21

[Translation]

THE BUDGET

IMPACT ON CANADIAN CONSUMER

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): Mr. Speaker, yesterday afternoon, Canadians had their hour of truth.

The Minister of Finance (Mr. Wilson) brought down a budget for the rich and for the multinationals. The rich received a present of \$125,000 cash in the form of a capital gains exemption, and if their accountants have any imagination, they will not pay a cent of surtax for 1985-86.

A few months ago, the Conservative Government proposed to do away with the off-oil subsidy for switching from oil to other forms of energy such as gas or electricity.

Government Members told us that these drastic cutbacks, which affected the average Canadian, were necessary to reduce the deficit. A few weeks later, they signed an agreement with the multinational oil companies, giving away \$2 billion in the process.

Yesterday afternoon, the Minister of Finance confirmed what we said when the agreement was signed: that Canadians would pay for this. The 2 cents per litre increase in the price of gas, which will probably cost the Canadian consumer about 4 cents a litre, is a measure that is anti-Canadian and pro-multinationals.

The Conservatives showed their true colours yesterday afternoon, and this Government ought to be ashamed of the way it is selling Canadians out to the multinationals.

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[English]

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

PROPOSED CUTS IN EQUALIZATION PAYMENTS

Mr. Rod Murphy (Churchill): Mr. Speaker, last night's Budget continued the previous Liberal Government's attack on transfer payments provided to the provinces. It is ironic that the House, which is presently debating legislation reinstating

some of the money to our have-not provinces, including Quebec, Manitoba, Prince Edward Island, and Nova Scotia, lost as a result of Liberal Government cut-backs, now learns that the Conservatives intend to cut further transfer payments due under the existing formula by \$2 billion.

That money is earmarked for post-secondary education and medicare in all provinces, and for equalization payments in our less rich areas. Equalization payments are guaranteed in our Constitution in recognition of the importance of maintaining a certain level of essential services to all Canadians regardless of where they live in Canada.

To attack these payments, in addition to funds for health care and post-secondary education, proves that the Government cares little for the plight of ordinary Canadians. The Government claims that it is a tough but fair Budget. It is tough to those who need assistance, and very fair, indeed generous, to those who need to be taxed more in order to pay their share of the legitimate costs of government.

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THE BUDGET

SUPPORT FOR FISCAL RESPONSIBILITY

Mr. Gerald Comeau (South West Nova): Mr. Speaker, the Minister of Finance (Mr. Wilson) has not been the only one who has undertaken an extensive pre-budget consultation process. Like all government Members, I have been involved in an extensive program of consultation with many business, social, and other groups in my riding. I try to meet with as many of my constituents as possible at every opportunity. I can say that during the last few months I have met with a very large number of constituents, and I would like to share with the House the results of my comprehensive consultation process.

In my riding I found overwhelming support for fiscal responsibility and a realistic Budget or, as the Minister of Finance and the rest of my constituents have called it, a tough Budget. However, there was an equally strong feeling that the Budget must also be fair—fair and equitable. They told me that we, as a Government, could not and should not lose sight of those people who truly required our assistance. I think all will agree that we did not lose sight of them. We have asked all Canadians to share the responsibility for the deficit, and we have also asked those who can, to assist us in dealing with it. I am confident that it is the sense of equity and fairness which will ensure that this tough Budget receives the overwhelming support of all Canadians.