

*The Budget*

not one new idea in this budget, not one. That is shameful because there is so much to do.

We in the New Democratic Party say it is time for this government to deal with the challenges that confront Canadians. It is time for real leadership for a change.

[*Translation*]

Let's take a look at the contents of the Budget, Madam Speaker. Let's see who are the losers and who are the winners. It is easy to see who the winners are. They are the corporations and wealthy citizens who do not pay their fair share of income tax. They are the companies that make profits by polluting our environment. They are the communications consultants who get millions of dollars worth of contracts from the government to sell Canadians unsatisfactory policies. They are the brokers who will make a pile of money on the sale of Petro-Canada and Telesat. The list of losers is much longer. It includes all those who use the health care system. It includes young people, the elderly, the homeless, Native people, women, Canadians in our poorest regions, fishermen, farmers, the unemployed and the children who will be left with a polluted environment. Instead of a clean environment, we now have a polluted one.

In other words, the Budget affects all low- and middle-income Canadians, whether they live in Canso or Kelowna, in Quebec City or Whitehorse. They will have to pay more taxes, while services offered by the government are gradually disappearing.

[*English*]

Let us make no mistake about this, taxes are going to increase. There are taxes in this budget. Canadians can read between the lines. They have not forgotten the goods and services tax. They know they could pay hundreds of dollars next year because of the new sales tax. They know that when the federal government puts in less money for health and education and for post-secondary services, the provinces and the territories have to put in more.

That translates into higher provincial and territorial taxes. Canadians can count on that. They know they cannot count on the word of this government.

The reaction from provincial premiers and finance ministers has been swift and brutal. The Nova Scotia finance minister said last night that this budget would cost his province \$80 million over the next two years; Ontario \$480 million. In B.C. it will cost \$120 million next year alone. All the provincial governments said plain and simple they are going to have to raise taxes or reduce their commitment to medicare and education.

What this government is doing is reducing the options for Canadians for the future. Those provinces that are poorer or have smaller populations particularly simply do not have the resource base and the revenue base to compensate. It is a complete abdication of federal leadership. It is cowardly and it is shameful.

[*Translation*]

Reductions in medicare and post-secondary education are perfect examples of broken promises. Here is what the Prime Minister said in the last election campaign: "As long as I am Prime Minister of Canada, social benefits will be improved, not diminished, by our government, which is committed to promoting social justice and equity." He did say "improved", Madam Speaker. He did not say "diminished".

Let us now take a look at the Budget. Funds to the provinces and territories for medicare and post-secondary education will be reduced by \$7.3 billion over five years. This is in addition to the reductions announced last year.

**An hon. member:** That's incredible!

**Ms. McLaughlin:** Government cuts for health care are another attack on medicare. It affects millions of Canadians, Mr. Speaker. Imagine the crowded emergency room corridors, the closed hospital wards, the waiting lists for major surgery that are growing all the time. The Government of Quebec is even talking about charging for some medical services.

[*English*]

Imagine, Mr. Speaker, the average Canadian family since 1984 has paid 67 per cent more in sales taxes and every year the amount of income that they have available gets less and less. Imagine that average Canadian family now with the reduction in health services having to worry about whether their child can have an operation that is