

Oral Questions

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, knowing how the Hon. Member works in Manitoba, I am sure he also told them about the full indexing on the GIS. I am sure he talked about the minimum tax that will be effective January 1, when he was talking about fairness. I am sure he talked about the surcharge on upper-income Canadians when he was talking about fairness. I know the manner in which the Hon. Member operates in Manitoba, and I know that he does not put those kinds of propositions forward. I have seen the way he operates.

Surely it is best to look at the deficit. I can quote the Hon. Member's speech again. I can tell the Hon. Member what the former Minister of National Health and Welfare said, which is that if we continue to pay the cost of that deficit, that money is not available for social programs. Surely, when looking at that issue, we must look not only at the present but at the future. I would ask the Hon. Member what there will be in the future if the debt keeps growing and there is nothing to use on increased social programs.

USE OF GOVERNMENT REVENUE

Hon. Lloyd Axworthy (Winnipeg-Fort Garry): Mr. Speaker, I am very pleased that the Hon. Minister has seen what I do in Manitoba. We never see him in Manitoba, so we do not know what he does about anything at all.

The Minister put a question to me. Let me reverse that. Let the Minister tell the House why it is that senior citizens will be losing \$3.7 billion on both the OAS and the GIS while there exists the kind of give-aways the Government is giving to its corporate and wealthy friends, adding up to close to \$14 billion? Is it not true that that has nothing to do with deficit reduction but with the fact that we are asking senior citizens to pay for the largest lottery give-away to the well-to-do Canadians in the history of the country?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I can appreciate why he has never seen me in Manitoba. It is because he is not there to see me.

Mr. Axworthy: I was there this weekend; you weren't.

Mr. Epp (Provencher): I was there last weekend and the weekend before. In fact, if the Hon. Member were to look at addresses, he will find that certain of us know who lives in Manitoba, and who does not.

Some Hon. Members: Hear, hear!

Mr. Epp (Provencher): The Hon. Member likes to raise the issue of a class war. He likes to think that that is what the issue is.

Mr. Axworthy: It is. That's exactly what it is.

Mr. Epp (Provencher): A class war? Is it a class war for the farmers in Manitoba, for whom the Hon. Member occasionally spoke on the sugar-beet issue? Is it part of a class war that those people are now going to be able to use their farms as

pensions? Is it a class war for small-businessmen, blue-collar workers, and other Manitobans? Obviously the only concern the Hon. Member has is to make sharp, small political points. The point to which we must surely return is the issue of the ability that—

Mr. Speaker: Order. I do have to tell the Minister that his answer is getting long.

[Translation]

DEINDEXATION OF PENSIONS—GOVERNMENT POSITION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Prime Minister.

Over the weekend the Minister of National Health and Welfare indicated that pensioners are not satisfied with the Budget and, again last weekend, even Nova Scotia and Manitoba Conservatives indicated they are not satisfied with the Budget.

Western Canada residents have urged me to ask the Prime Minister this question: If deindexation was not acceptable from the Liberals in the past, why is it now?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, the economic situation we inherited is altogether appalling, to the extent that it now costs more to service the national debt than to pay for all social programs. As a consequence—and there is a tragic aspect to this—the future of social programs throughout Canada is jeopardized if we do not take corrective measures. We believe, and I hope we are right, that the only way to maintain our social programs is to have a buoyant economy where ever more Canadians and Quebecers are working. Statistics published Friday reveal that 70,000 new jobs were created last month and 89,000 the month before. Admittedly that is very encouraging news in the job creation sector, and we hope this new wealth will enable us to maintain the integrity of all our social programs. That is what we want to do.

[English]

GOVERNMENT CONSULTATION PAPER

Hon. Edward Broadbent (Oshawa): Mr. Speaker, ever since the Budget was brought down we have heard a whole series of excuses about this matter. The first excuse was that everyone supports what the Government is doing to pensioners. Government members found out that that would not wash. Then they said that there were no other options. Considering that the Prime Minister has said that the Government is now doing this in the Budget because it discovered that it had a larger deficit than it had anticipated, why is it that the Government indicated, as recently as the end of January, well after it knew its debt position, in a paper put out by the Government itself, that there would be no change to the OAS? Why were we given that commitment in January, and a reversal of it when the Budget was brought down?