

HOUSE OF COMMONS

Friday, March 3, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[Translation]

BORROWING AUTHORITY ACT, 1995-96

The House resumed, from March 2 consideration of the motion that Bill C-73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the second time and referred to a committee.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I welcome this opportunity to speak to the budget that was brought down Monday by the Minister of Finance.

Not that I am particularly pleased with the provisions it contains, far from it. Nevertheless, I feel it is my duty as a parliamentarian to engage in a critical analysis of the budgetary measures proposed by the government and to report on my conclusions in this House. I admit it was not very difficult to be critical of a budget I would qualify as insidious and inequitable.

This budget is disappointing in several respects, and perhaps I may elaborate.

I think that first of all, it can be said that the budget contains no specific measures for economic recovery and job creation, which is unusual, to say the least, considering the government's emphasis on these issues. Need I recall that during the election campaign in 1993, the Liberal Party promised it would champion job creation and fight unemployment?

My constituents, Quebecers and Canadians are still waiting for this vigorous recovery and the jobs promised in the Liberal Party's red book, which the Prime Minister brandished repeatedly as a sure fire recipe for prosperity. There is nothing new in this budget to create jobs and worse, the Liberal government has, without any compunction, made cuts in the only sizeable job creation program it managed to come up with so far, and I am referring to the infrastructure program.

This program was supposed to create nearly 45,000 jobs—temporary jobs—over a period of three years. The budget

intends to cut about \$200 million from this program over the next three years, which will inevitably result in the withdrawal of equivalent amounts by participating provinces and municipalities. So altogether, \$600 million less will be spent on job creation over the next three years.

• (1005)

What is more, the government is virtually cancelling out the expected effects of the infrastructure program by laying off some 45,000 public servants over the next three years. This is exactly the number of temporary jobs that this program was to create, before it was announced that the program would be spread over five years.

Clearly this budget is continuing the practice instituted by the previous government of going after the unemployed instead of tackling unemployment itself. For instance, despite a significant surplus in the unemployment insurance fund, the government is announcing cuts of 10 per cent in the unemployment insurance budget. Needless to say the federal government is on the wrong track if it thinks that this sort of measure will help find work for the some 800,000 people who are unemployed and looking for work in Quebec.

While the fight against the deficit is being waged on the backs of the unemployed and public servants in the government's budget, and I will definitely come back to this point later on, we must also recognize that it is being waged at a cost to the provinces.

With its brief passages in French alluding clearly to the referendum, the Minister of Finance's speech spoke of the dynamic and changing nature of Canadian federalism based on the pseudo decentralization project, which is nothing more than a hollow promise and a huge operation to dump the federal deficit into the laps of the provinces. They will have no choice but to cut public services and increase income or other taxes or pass the cost on to the municipalities.

Not wanting to spoil its chances in the upcoming referendum, the federal government is taking great care to put off its sinister plan to make massive cuts in transfers to the provinces until next year, that is, until after the referendum. It will be cutting \$2.5 billion in 1996-97 and \$4.5 billion in 1997-98. And the \$7 billion cuts announced in the 1995 budget will be in addition to the \$48 billion cuts in transfers to the provinces since 1982 and the \$2 billion cuts in the 1994-95 budget.