

is viewed as a gangster and is treated like a criminal from the start. He was supposed to pay his money and the Government would give him a refund if it felt like it.

What we now want is an arbitration system. Everyone is on the same footing, including the Government in relation to the taxpayer.

If the Opposition has not yet understood the importance of this provision, it has missed a good opportunity to learn something. I would refer the Member opposite to the legislation if they want to see how up-to-date our proposals are.

• (1620)

Mr. Tardif: Mr. Speaker, if my colleague for LaSalle (Mr. Lanthier) can read, I submit to him he cannot answer without reading from his notes, because he is not giving a straight answer to the question. I understand from his statement, and I am even willing to accept and admit that where paperwork is concerned there may be some slight improvements, this I will recognize, but I must add, Mr. Speaker, and this is the point of my question, when they are using taxes to take additional money from the pockets of people earning between \$10,000 and \$20,000, whether they do it on pink or blue paper, what hurts is the amount they will be taking, however they go about it.

Somebody in private enterprise who is highly paid, \$100,000 or more, perhaps will look at the way it is being assessed, claimed or asked for, but I will remind my colleague for LaSalle that for someone earning \$15,000, \$16,000 or \$17,000, the way it is done has little meaning, what is important is its costs, and how, and so I will come back to the point of my main question: How do you reconcile the fact that you take \$15 billion from the pockets of small- and medium-income Canadians and you redistribute that money to a few thousand Canadians who are very well off, and in a position to contribute their share to the situation that now prevails in Canada?

Mr. Lanthier: Mr. Speaker, the major objective of the last Budget was to put Canadians back to work. That tax balance let us say, that is referred to here, was not the objective. Our objective is not to balance the Budget immediately with an additional tax. We have seen that it certainly will help the Budget, but this is not the measure that will balance the Budget, and to prove that we still have a deficit. The objective is to stop that deficit from growing. Our objective is not to cover the growth of the deficit by collecting more taxes in order to apply that to the deficit; our objective is to put people back to work, and we have succeeded, quite apart from such comments. The decrease in the unemployment rate, the fact that inflation is being controlled, the strength of our dollar, lower interest rates, all that directly results from the assessment made of Government by Canadians on September 4, 1984, a memorable date, and then our response. We did not wait for the Budget date.

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The major measures for putting the economy back on course started on September 4, 1984, and were confirmed by our direct actions in November. The Budget came to finalize those measures last November. So, when Members say it is the decline—it takes six months at least before we have a decline, six months for sure, look at those six months which followed November, that decline in interest rates was already beginning to be felt, so was the decline in the unemployment rate. You can rest assured—we were told: Come and see us in a year from now. Well, this is a date for six months from now, Mr. Speaker. At that moment, we will have it both ways; we will have the month of November, which will be in full swing, as well as our Budget measures which already are beginning to show very clear signs, because our recovery fares better than in the United States.

We will not compare with the United States now; we are not putting the blame on the United States anymore; there is no mention of the United States, they are our first clients, but I can assure you that our economy is now sound, Mr. Speaker, and this is due simply to our Budget measures and our measures to reduce that unfortunate deficit we have inherited from you. It is now under control, as I can assure all Canadians.

[English]

The Acting Speaker (Mr. Redway): The time for questions and comments has now expired.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, today we are debating a package dealing with some of the economic and financial details contained in the Budget proposals of the Minister of Finance (Mr. Wilson) in May of this year. In the months before the election, the Conservatives promised Canadians that if they were elected they would maintain and indeed improve the services which were provided to Canadians, create tens of thousands of jobs and at the same time cut the deficit of the federal Government which they maintained was higher than we could afford.

Once they were elected they quickly realized that it was impossible to fulfil their promise to provide and improve services while cutting the deficit at the same time unless there was great improvement in economic growth in this country. Instead, we have seen a series of proposals to cut services, including such programs as the old age pension which the Prime Minister (Mr. Mulroney) promised was a sacred trust and would not be reduced. The Government only backed down from cutting back in this area when it saw the unanimous opposition from senior citizens and their families.

Another proposal on which the Government intends to act is the deindexing of the family allowance. It is also proposing cuts in services and programs for such things as forestry, scientific research and national parks. The Government has realized, now that it is in office, that it is not possible to maintain services while cutting the deficit at the same time when there is close to 1.5 million unemployed.