

*The Budget—Mr. Charest*

something, it did it right away. However, this Government does things right. When the Minister of Finance projects his deficit for the next year, he is bang on the number.

**Mr. Riis:** How about last year's projection?

**Mr. Charest:** I hear mumblings from the New Democratic Party saying that last year's figures were not right. To be fair, I think the Hon. House Leader for the New Democratic Party would acknowledge that I also said that in September the Minister of Finance revised his projections to \$32 billion.

**Mr. Riis:** He will do it again this year, probably.

**Mr. Charest:** That was because of the situation of the oil industry and the situation in agriculture. I think all ordinary Canadians understand that. If the House Leader cannot, I suppose that is his problem. Let us take another figure.

**Mr. Riis:** Take unemployment.

**Mr. Charest:** Let us take the figure for expenditures. That is a good figure to play with because that is what we have in our pocket. That is the figure over which we have direct control.

**Mr. Della Noce:** Money.

**Mr. Charest:** The money we are going to spend. How much did we say we would spend? Was it \$89.4 billion? How much did we spend? It was bang on that figure.

**Mr. Riis:** Tell the foreign banks how much you spent on them.

**Mr. Charest:** I know the member of the New Democratic Party has problems with that because it is very unusual. It is foreign to his own experience in this House that the Minister of Finance was right. That has never happened before, but it is starting to happen now. When the Minister of Finance rises in his place and says that tax reform is about fairness, it will happen. When members of the Opposition point to regional disparities, I hope they are not insinuating we should have higher interest rates, and that would help the regions.

**Mr. Riis:** You are absolutely right. I support you 100 per cent. We would not be saying that.

**Mr. Charest:** I hope the Opposition is not implying that, because I am sure it knows that this is not the case. When Hon. Members opposite say there is no interest in the disadvantaged, I presume it is because they have forgotten about the employment initiatives for social assistance recipients. They must have forgotten about the program for older worker adjustment. Did they forget about the refundable sales tax credit? Four million low income families and individuals are now receiving refundable sales tax credits of up to \$50 per adult and \$25 per child. Have they forgotten the prepayment of child tax credit? That must be the one they forgot. One million low income individuals in November of 1986 received \$454 per child. I have it, they must have forgotten the increase

in child tax credit. Over three years the child tax credit has increased by 36.5 per cent, or \$140 per child, from \$384 in 1985 to \$524 in 1987. Perhaps that is not the one they forgot. It must have been the extension of spouses' allowance for 169,000 widows aged 60 to 64 years who are in need. They are eligible to receive the spouses' allowance in 1987-88. Maybe those Hon. Members forgot the extension of tax deduction for disability for 185,000 people. Perhaps the House Leader for the NDP can tell us whether it is the increase in value of tax deduction for disability that he forgot. Or was it the tax rebate discounting Act amendments? Perhaps it was the Hon. Member for Essex—Windsor (Mr. Langdon) who forgot the veterans' benefits increase. That is, I suppose, because they are on the other side of the House. Members of the Opposition tell us we are not fair with respect to corporations and in the taxing of individuals. We keep telling them that that is what the tax reform is all about, that is where it is going to happen.

**Mr. Riis:** It is one-sided, though, is it not? It is a one-sided tax reform.

**Mr. Charest:** The Opposition says we have not done anything. Why wait until later? I guess it is because it forgot the action we took on the limited partnership at risk rules to prevent taxpayers from claiming tax benefits disproportionate to the amount put at risk. It must be that. Or it may be the phase-out of the 7 per cent and 10 per cent investment tax credits which primarily affects corporations. Perhaps we did not tell Hon. Members opposite about that often enough. Perhaps it is the elimination of the 3 per cent inventory allowance that the Opposition forgot. Perhaps it is the reduction of the dividend tax credit rate it forgot. Perhaps it is the deductibility of accrued but unpaid bonuses being restricted. That is what they forgot.

**The Acting Speaker (Mr. Paproski):** Is there unanimous consent for the Hon. Minister to carry on?

**Some Hon. Members:** Agreed.

**Some Hon. Members:** No.

**The Acting Speaker (Mr. Paproski):** I am sorry, the Hon. Minister's time has expired. Questions or comments?

**Mr. Baker:** Mr. Speaker, I would like to ask a question of the Minister who represents youth. I asked the previous speaker somewhat the same question, but I would like to hear an answer from a member of the Cabinet. Perhaps he has not examined the Budget as well as he should have. I would really like to know why there was a tax put on potato chips and whether the tax on corn and cheese based puffs means that a tax is also put on Cheezies. Does the brittle pretzels tax apply to pretzels which are not brittle, the large packages of pretzels which are not brittle? There is the salted nuts tax. What about the unsalted nuts? There is the popped corn tax. What about the popcorn? Does it apply to popcorn? There is the tax on granola bars and frozen snacks packaged in single servings. What about those that are not packaged in single servings?