

*The Budget—Mr. Garneau*

should have issued a press release and tabled some Ways and Means motions instead of putting us through the process of the lock-up, with the press, and putting the CBC and other television stations to a lot of expense for nothing.

In any case, Mr. Speaker, before I start my speech, and since I realize that any criticism we make will be branded as partisan, the Opposition always being against the Government, I would like to offer three samples of reactions reported in the press this morning. First, from the business world, and if I may, I will read to you from this morning's *La Presse*, which said the following:

The business world gives Michael Wilson a "D", D as in disappointment.

The President of the Canadian Federation of Independent Businesses calls the Wilson Budget dull and insignificant. "It is soporific and lacks sex appeal", added the Director General of the Federation in Quebec, Pierre Lauzier.

That is what business had to say.

Mr. Speaker, I would like to refer to comments by a well-known columnist, Don McGillivray, whose column, which is popular in financial circles, appeared in the *Ottawa Citizen* under the following headline:

● (1120)

[*English*]

—"This fiscal trickery shames Wilson". The column reads in part:

Michael Wilson's junk food budget won't do much to nourish Tory hopes for a political turnaround—

One trick is getting employers to send income tax twice a month instead of once a month. This allows Wilson to borrow \$1.2 billion from the 1988-89 fiscal year. But for this, the deficit would have been \$30.5 billion.

The old Mike Wilson, the straight arrow who ran a clumsy but honest campaign for the Tory leadership in 1983, would have scorned such a trick.

[*Translation*]

Mr. Speaker, after comments from the business world and from a political observer, with emphasis on the Budget's financial orientation, I would now like to quote what was said by the Quebec Minister of Finance. I think this is the first time a Minister of Finance has threatened to sue the Canadian Government. I read the following in this morning's *Gazette*:

[*English*]

Quebec Finance Minister Gérard-D. Levesque said yesterday he's considering suing the federal Government because its budget ignores the problems of transfer payments to the provinces.

Ottawa should live up to its "legal, moral and constitutional obligation"—

"I was expecting—I was hoping that somewhere in the budget, there would be an indication of fairer intentions with regard to Quebec," Levesque said.

[*Translation*]

Mr. Speaker, three comments from three different groups indicate how, through the eyes of responsible people, Canadians perceived the Budget that was brought down yesterday.

Mr. Speaker, in his Budget Speech yesterday the Minister of Finance mentioned that the economic situation in Canada was, to borrow his expression, sound, and in many ways enviable.

However, if we look at the situation in the regions, and we see the growing gap between rich and poor, between the Maritimes, the West and Central Canada, we must conclude that as far as our economic policy is concerned, the Conservatives have failed miserably. The situation is certainly not as rosy as the Minister would have us believe, and that is what I intend to demonstrate in my speech today.

First of all, I will discuss regional disparity. I will talk about the growing gap between rich and poor. I will analyse the tax increases contained in this Budget as well as the hidden increases resulting from previous Budgets. I will deal with tax reform and I will make a number of suggestions to the Minister in this very important respect. I will comment on federal-provincial relations and subsequently give an analysis of our trade policy, especially as it concerns the United States, and in concluding, I intend to move a motion condemning the Government.

[*English*]

As Charles Dickens wrote in *A Tale of Two Cities*, "It was the best of times, it was the worst of times". I would respectfully suggest that these words, which have echoed through the centuries, have a special significance to many Canadians today. The election of this Government on September 4, 1984, was to be the dawning of a new golden age. However, it has become in reality a time of shattered dreams and broken promises. It has become a time when the Government chose to give to the privileged few, and take from the many.

History will record that this Government turned its back not only on the regions, but also on the most disadvantaged in our land. In short, this Government's economic policy, and more particularly the last three Budgets, including yesterday's, are the Tory tale of two Canadas, one Canada composed of the haves and one Canada composed of the have-nots.

Let us look first at unemployment in Canada. At the height of the world recession of 1982, the worst one since the Second World War, the unemployment rate in Canada was 11 per cent. In January, 1987, last month, it was 9.7 per cent, a decrease of 1.3 per cent. Is it from this figure that the Minister of Finance (Mr. Wilson) draws his pride?

After four years of world-wide economic recovery, Canada is still far from the 7.5 per cent pre-recession unemployment rate. From January 1986 to January 1987, Canada has produced a net increase of only 115,000 new jobs. However, a closer examination of even this low number would show an extremely alarming trend. Last year in Ontario, 127,000 new jobs were created. This means that in the rest of Canada, there was an over-all net loss of 12,000 jobs. I would repeat that there was a net loss of 12,000 jobs in all of the provinces outside the Province of Ontario and, I should say, outside the Golden Horseshoe.

You may well ask, Mr. Speaker, why we have created so few new jobs in relative terms. The answer is simple. It is largely due to the Government's misguided economic policies. The Canadian economy is now suffering from the effects of the