

The Acting Speaker (Mr. Paproski): Questions, comments. The Hon. Member for Don Valley East (Mr. Attewell) and from Montreal-Sainte-Marie (Mr. Malépart).

[English]

Mr. Attewell: Mr. Speaker, I could hardly believe my ears when listening to the comments of the Hon. Member for Saint-Léonard-Anjou (Mr. Gagliano). An analogy kept going through my mind of an arsonist giving a lecture on fire prevention. The Member is part of a Party which almost brought the country to its knees financially. The comments of this Member and those of the Hon. Member for Gander-Twillingate (Mr. Baker), who spoke the other day, are an example of the twisting and distortion which takes place.

The Member for Gander-Twillingate said that 23 per cent of our present debt was created by the Conservative Government since September, 1984. That makes me think of another analogy. Consider the case of a forest fire which has burned 3,000 acres. When the fire fighters are brought in it takes them several days to bring the fire under control, during which another thousand acres burns. Do we blame the firemen for the loss of the extra thousand acres? Of course not. We blame the people who started the fire. Canadians are not going to be fooled by this transparent rhetoric about what has happened recently.

Canadians will not forget that the last time the country had a surplus was in 1969-70. They will not forget that by 1975 the Liberal Party created a deficit of \$5.7 billion. They will not forget that the deficit rose to \$10 billion two years later. Canadians will not forget that by 1982-83 the deficit was \$23.9 billion. Neither will they forget that when this Member's Party was in power it accumulated the largest deficit ever in the country, \$36.9 billion in 1984-85. Canadians can see the facts, which are very clear.

I want to challenge the Hon. Member on a couple of comments he made about the fairness and equity of this Budget. I consider it to be very fair. In fact, I must again compliment the Minister of Finance for the balance he has achieved, not only between corporations and individuals, but also among individuals.

There are some very good measures contained in the Budget for the needy but, of course, the Member does not recognize that type of initiative. There is a balance between taxes and expenditure cuts at a ratio of 70 to 30. The financial statement of November, 1984, the Budget of May, 1985, and this Budget have consistently struck a balance. The best proof of that balance is the 580,000 jobs which have been created in only 18 months. The Member's Leader projected a loss of 200,000 jobs.

I urge the Hon. Member to be more complete in his assessment of the Budget and to have a little humility with regard to what his Party caused in the country. I suggest that he read the Budget a little more carefully. I understand that he is an accountant and he will appreciate the fairness in the Budget.

The Budget—Mr. Gagliano

The Member spoke as if the surtax wiped out the decrease for small business from 15 per cent to 13 per cent. He knows that is not correct. It is 3 per cent of 15 per cent. In other words, .45 per cent. Clearly it does not wipe out the advantage for small business. I urge him to be a little more realistic and honest as to how good the Budget really is.

• (1600)

Mr. Gagliano: Mr. Speaker, the Conservative rhetoric is always to reduce the deficit. If they were serious about reducing the deficit, why did they give \$2 billion to bank depositors who had more than \$60,000 on deposit? Why did they give \$2 billion to the multinationals? Why did they give a \$1 billion tax reduction to the Reichmann brothers? They only cut \$4 billion from the deficit this year but six months ago they gave away \$5 billion. That is the rhetoric of the Conservative Party.

I agree with him concerning the 3 per cent inventory tax. However, what upsets me about the budget and corporate taxes, and I would like the Hon. Member to one day stand up and explain this to me, is why did the Minister of Finance reduce the big corporations' taxes by 3 per cent and the small corporations by 2 per cent? Why did he reduce the manufacturing tax on big corporations by 4 per cent and only 2 per cent for small manufacturing corporations? That is why I say this is not fair. The Government has been saying small business is the key to recovery. It is small business which creates jobs. Then why are we giving more—

Mr. Attewell: Is it unfair to create jobs?

Mr. Gagliano: —to big corporations?

[Translation]

Mr. Malépart: Mr. Speaker, the Conservative Member who spoke earlier reminded me of his leader. It is true the Budget is fair. It is a fair and good Budget for the rich, but there is nothing in the Budget for the poor, and the Budget attacks the middle class. And that is the truth, Mr. Speaker. I wish my hon. friend would tell me, and the Minister of National Health and Welfare (Mr. Epp) is here, what he thinks of a measure providing for prepayment of \$300 of the child tax credit that covers only a certain percentage of the Canadian families eligible for the tax credit. Today, 1,538,000 families are receiving the full child tax credit, and the Government, by some magic and inhuman calculation, has decided that only one million families will receive the \$300 prepayment of the tax credit, and 538,000 families will have to throw themselves on the mercy of the friends of the Conservatives, the tax discounters, who take advantage of the poor. Would the Hon. Member please explain how he could possibly say this is a generous Budget?

Mr. Gagliano: Mr. Speaker, my hon. friend from Montreal-Sainte-Marie (Mr. Malépart) is absolutely right. It is a discriminatory measure. It allows some people to receive a certain amount in advance and ignores many others. Mr. Speaker, last year they decided that to be eligible for the child tax credit,