

The Budget

• (1515)

It is a little like coming home one night to find a burglar and telling him: "It is now 11 at night; I will come back tomorrow morning around five o'clock, but in the meantime, keep quiet and do not steal anything".

We are telling Canada's wealthy families that have taken advantage of family trusts that they have five years to empty these trusts. At the end of the day, they will still be able to make the most of this unacceptable tax dodge.

Another way we could have saved money is by eliminating duplication in the area of manpower where, in Quebec alone, \$250 million is wasted every year. I wanted to give these two examples to show that, if the government had taken action in the right places, it would not have been obliged to resort to such senseless measures as cutting Canada's only experimental sheep production research farm, which is located in La Pocatière.

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, I rise today to take part in this debate on the 1995-96 budget.

First of all, I must say that this budget is very disappointing. It is hard on the workers, the disadvantaged and Quebec. It does not contain any job creation measures. There is nothing in this budget for the 800,000 Quebecers on UI and welfare who want to work. In this budget like in his last budget, the Minister of Finance is announcing further cuts in unemployment insurance. Quebec however will get back less than it will contribute in 1995. It is clear that federalism does not profit Quebec.

This year, Quebec workers and employers will contribute \$4.8 billion to the UI fund, but Quebec claimants will receive about \$4.7 billion in benefits and various employment-related services. This will mean a shortfall of approximately \$118 million for Quebec. Just to restore the pre-recession level of employment, more than 800,000 jobs would have to be created in Canada.

In that sense, the budget offers no hope to the 1,200,000 jobless Canadians, based on Statistics Canada's figures.

Instead, the government sets itself a target of 45,000 job cuts in the federal public service, the most extensive one-time workforce reduction ever made in the public sector. Ottawa, Hull, Montreal, Toronto and many smaller cities and local economies will be hard hit by such a massive layoff of civil servants. I want to show solidarity with the Public Service Alliance of Canada and all government employees who will be laid off.

In addition, seniors' income is threatened by the government's announcement of an impending review of old age pensions scheduled for 1997 and designed to reduce program benefits.

In these times of drastic cuts in social programs, the government can almost certainly be expected to try and raise premiums, reduce benefits and tie pension income to family income. Thousands of seniors, UI and welfare recipients are very unhappy with this budget, particularly in my riding of Bourassa, where they are in great numbers.

The federal contribution to social programs, i.e. welfare, health and education, will be reduced from \$17.3 billion in 1994-95 to \$10.3 billion in 1997-98. This 40 per cent cut over three years will force the provinces to make further cuts with nothing offsetting these cuts.

On the other hand, costly duplication will be allowed to continue at the expense of the taxpayers, and so will squandering.

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Also, the government does not go after the thousands of businesses which do not pay taxes, nor does it do anything about the tax havens accessible by virtue of tax treaties signed with other countries. This budget looks like it was drafted by Wall Street financiers. Tax on bank capital is increased, but only for a certain period. Consequently, banks will temporarily contribute about \$100 million, while the Royal Bank alone made profits in excess of \$1.2 billion in 1994.

As for family trusts, which Bloc Quebecois members denounced on many occasions, the minister maintains existing privileges for another five years. Over the next three years, the minister will cut \$307 million from CMHC's budget, which is responsible for social housing, a very important issue in my riding of Bourassa, in Montréal-Nord. This unfair budget also reduces by \$32 million the amount of subsidies to Quebec dairy producers.

The government also intends to reduce by \$1.3 billion, over a three-year period, the budget for international assistance. That decision is in full contradiction with the white paper on Canada's foreign policy, which was tabled in February. I come from a developing country and I care a lot about this issue. It is a shame for our country, which will only allocate 0.29 per cent of its GNP to international co-operation, while the objective set by the UN is 0.7 per cent. This is the lowest level since the sixties. Meanwhile, at the recent world summit on social development, in Copenhagen, industrial nations, including Canada, just pledged to increase official development assistance. How hypocritical!

I also want to discuss the cuts affecting the Department of Citizenship and Immigration. Because of drastic increases in immigration fees, family reunification will become increasingly difficult. The most blatant example is the tax on immigration. From now on, all adults who want to immigrate to Canada will have to pay \$975, in addition to a \$500 processing fee, which