

The Budget

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I am honoured and extremely pleased to be able to address the whole question of the budget this afternoon.

As I begin to do so, I would like to quote for the record a communication I have just received from a colleague addressing this very question. It reads as follows:

This budget is a true Tory budget. The government's real agenda, about which it said nothing in the last election campaign, is now fully visible, and the vast majority of Canadians are clearly unhappy about the directions in which the government is taking our country. In the last campaign the government did not talk about a deficit out of control. It did not promise reductions to unemployment insurance, health care funding, and education funding. It did not promise a clawback of old age security. When the Liberals said these were exactly the things that would happen, the Conservatives called them liars and fear-mongers.

If we were to ask Canadians today who are the liars and who are the fear-mongers, I suspect we would get a very different answer from the one that would have been given some months ago.

The member of Parliament for Winnipeg North, in an address a few days ago with respect to the budget, indicated that a budget reflects a government's priorities and is really a reflection of its very soul.

• (1330)

I was interested in that particular comment because, in a sense, it has profound implications. How I spend my money is actually a very important statement about what it is that I consider my priorities to be. What is it that is most important and what is it that is perhaps of lesser importance?

If you look at the government's budget from that perspective, you will find some very interesting facts that I want to share with this House. Defence spending will in fact increase by 5 per cent. The operations of CSIS, the Canadian Security Intelligence Service, will be increasing by 20 per cent.

I could give some other examples but I believe that those serve to make the point I want to make. It is that there are certain programs of government that will be getting substantial assistance.

Where are the largest cuts being made? To health care and to education. I could mention several others but I am going to concentrate on those two because they happen to be massive.

Let me talk very quickly and briefly about the reductions in transfer payments, particularly those with respect to education. They are even more severe when one looks at them in the total context within which they were taken. Education will suffer from the goods and services tax when it is implemented in 1991.

Hon. members will recall the postal subsidies from which education was exempted. Educational institutions were given these postal subsidies by a former minister of this government for scholarly and research journals. That promise was not honoured. Those dollars will have to be absorbed within current funding. In fact, there will be reductions in funding.

There are reductions in training and retraining. Supposedly that was a high priority of government. There are reductions in expenditures in science and technology. There again we keep hearing the rhetoric about the importance of those particular programs. There are reductions in student aid, which has seen no change since 1984. An administrative fee has been tacked on for those who need funding most.

What is the message being sent to students? The government is saying quite clearly that they have a lot, apart from its other decisions about reducing job opportunities for the summer. It is saying that they have too much. Otherwise, it would not be making those particular reductions.

In looking at education and health, the Association of University Teachers has estimated that there will be 39 billion fewer dollars from 1986 to 1995 in current government projections. With the reductions in 1986, after the government had said that it would not touch the formula, and with the intended reductions in 1989-90, which were not necessary because of the freezes that were imposed during this current budgetary year, there will be 39 billion fewer dollars for Canadians, for the provinces in health and education. There is roughly \$9 billion less for education out of those \$39 billion. I would suggest that there is well over another \$1 billion of additional reductions elsewhere in other cuts.

Let us look at Manitoba alone where there will be 99 million fewer dollars for health and education over the next two years because of this budget. Let me tell you, ladies and gentlemen, you can buy a lot of health and education in Manitoba for \$99 million.