

*Government Orders*

at the figure for the deficit. It looks at the Gallup poll deficit that it is confronted with.

It will again start attacking the weak. We saw that in the spring. Rather than ministers getting up in this House and taking responsibility for their actions, they blame bureaucrats who cannot defend themselves, attacking the weak, rather than taking their responsibilities. What are they doing today? They are attacking the lower level classifications in the Public Service. The government gave an increase of 4.5 per cent to the big shots. Two days after that, it has a new policy. It decided on zero for the people at the lower end. This is what it has done. Now it is trying to cover itself, because it got caught hands down. It says next year it will do that.

It is this year that the people are affected by the problem. It is this year that they are faced with 6 per cent inflation. Of this 6 per cent inflation, half of it has been created by higher taxes imposed on the Canadian people by this government.

The president of the CNR got his increase this year, but the little public servants who make only \$16,000, \$18,000 or \$20,000 will have to wait for one year. They will have zero next year because the government got caught hands down. It tried to sneak it in. When we saw that and informed the public of that, the government decided to change its mind.

Yesterday, Mr. Speaker, the minister stood up in this House and said: "Yes, in New Brunswick they have a zero increase". Yes, they have a zero increase, but the minister should have been fair to the Canadian people and told them the truth. What they have done in New Brunswick—it is a Liberal government—yes, they have a zero increase because this government has cut the transfer payments to them.

In New Brunswick, 30 per cent of their employees got the increase, those at the bottom, but not those at the top. Those at the bottom. That is the difference. In New Brunswick the employees who make less than \$20,000—and it is one third of the Public Service there or 30 per cent—got an increase of 2.5 per cent this year, not zero. Those making \$17,000 got an increase of 3.4 per cent, not zero.

The public servants have zero here. The government did not offer 3 per cent. Good. If government offers 3 per cent today, we will be on the its side. The public

servants did not refuse the 3 per cent. The government offered zero. The government is legislating zero. If the government offers 3 per cent, we will back it up. There will be no problem. We will all agree. We know that we have to show some restraint. We know that.

We were confronted in the past with the same problems. Yes, we were, but we never offered zero when there was 6 per cent inflation. We never did that.

At this moment what the government wants is a confrontation. Yes, it was six and five for everyone. It was for prices too. It was for everyone. It was not a 4.5 per cent increase for those who make \$300,000 and zero for those who make \$16,000. It was six and five for everyone.

The question that faces us today is not a question of right and left. It is the question: Is it right or wrong? We could have a solution of this problem very easily because mediation is what is important at this time. In front of a mediator the union would have been able to argue what was done in New Brunswick.

• (1050)

They would have been able to argue that those at the lower end would have received compensation of perhaps 3 per cent. It is not much when inflation is 6 per cent. At least it is something to cope with the misery that they are sometimes faced with.

This government wanted to divide the country again—

**Ms. Copps:** It rolled the dice.

**Mr. Chrétien:** And it rolled the dice. It wants to gamble. It is always "my way or no way". It is always like that.

I travelled in this country all summer. I went into eight of the ten provinces during the summer and I have never seen the country in such a mood. The people are completely discouraged.

You meet farmers, fishermen, consumers. They are not very happy. They take their cars and drive to the United States and shop because the taxes have raised prices so high because of the policies of this government. They are not happy to come back with the back of their cars full of goods that they have bought in the United States. They cannot compete with prices because of the level of taxes that this government has imposed.