

*Government Orders*

Today, with this green paper we are asking Canadians to reach for the moon.

[Translation]

**Hon. Lucien Bouchard (Leader of the Opposition):** Mr. Speaker, no one in the Official Opposition is denying the need to do something to help out those of the less fortunate of our fellow citizens, who are in difficulty.

The current economic and financial situation has driven these people to live in fear and anxiety and, in that sense, I am in full agreement with the minister's diagnosis.

I think that when it comes to being sensitive to the situation of the disadvantaged, the minister has retained his progressive, left-wing tradition. The problem is that the cure is a right-wing one. While the diagnosis is left-wing, the cure is right-wing. I am not saying that the minister's heart is not in the right place, on the contrary. The problem is that his wallet is not in the same place, as a Liberal minister. Now that he has become minister, he finds himself in a peculiar situation, stuck between a Finance Minister and a Prime Minister whose primary objective is to reduce the deficit and the debt on the backs of the disadvantaged.

Take this speech for example. If you take away the rhetoric, finer feelings, hand on the heart, you realize nonetheless that the official objective of the minister, as stated in the first pages of the consultation paper, is to cut social program expenditures, to effect the massive cut all right-wing circles, all employers and all the business community have been wanting to see for a generation. And now this minister with a progressive background has been chosen by the right to do the job.

Here is this minister who just related to us, with sincerity I think, how sad he felt when, one morning, as he was going door to door visiting constituents in his riding, he met this young couple in which the man was out of work and the woman was also at home. The young man told the minister how much he wished in himself that changes could be made to improve his situation, to help him find a job in particular.

But besides sympathizing with this young man's difficulties, should the minister not have told him: "Look, I sympathize but my government is about to cut \$15 billion in social expenditures over the next five years"?

• (1130)

If the minister had wanted to be straightforward with this young man, that is what he would have told him. He should have informed him that, in addition to the \$7.5 billion in cuts already announced in last year's budget, more cuts are planned, which I will discuss later.

How can one make a progressive-sounding speech, how can one claim to base social program reform on a desire for expansion, after having coldly decided to cut \$15 billion over five years in the funds allocated to social programs? I am not making this up; the minister has described very clearly right from the beginning, on page 23 of the discussion paper, the context in which this reform is to take place. He very clearly ties it to a budgetary transaction, a spending-cut exercise.

Let me quote two excerpts from page 23: "Reform of social security cannot be contemplated in isolation from the fiscal realities facing governments in Canada". And a little further: "And existing expenditures must be brought under control and in some instances reduced". There it is in black and white.

We all heard the budget speech, in which this minister's colleague, the Minister of Finance, announced a \$2.4 billion reduction in social expenditures, in particular unemployment insurance expenditures. It was also announced in the budget that the upcoming social security reform was going to take place as part of an expenditure reduction plan.

I think it is obvious that this exercise lies within a framework of spending cuts on social programs. In fact, when you read through the document and get to the essential and sectorial aspects of the reform, you note that the underlying motivation throughout is to reduce the level of protection afforded to those in need.

Worse yet, in my opinion, is the philosophy behind the minister's approach. This is evident from, first, his attitude regarding the unemployed. Perhaps not for the minister, who would gladly do the opposite of what he is doing, but for his government at least, this attitude is expressed in the paper before us: the unemployed are guilty. Here we have a government going through a financial crisis, as we know. Everyone agrees that we are facing some kind of public finance mess, a mortgage on our young people's future, a burden already weighing down adults in their daily activities. With the deficit almost out of control as it is, it is obvious that the government is confronted with an enormous problem and that it is aware of it.

So, expenditures have to be reduced. The deficit must be brought under control. How? By looking for someone to blame. Why are we facing a crisis? Why, in a rich and highly industrialized country like Canada, blessed with so many natural resources, a hard-working population and lots of capital, does the federal government find itself in such a position? There has to be a culprit. Maybe it is the government, which spends too much on its operations. No, says the Minister of Finance, it is not the government's operating expenditures. But we know that, in fact, there are billions of dollars to be saved there.

Is the problem this overlapping between the various levels of governments, the duplication of programs and the waste of energy and resources? No, the government is not trying to save one penny in that area either. A tax reform might be in order. Do we have a consistent and rational tax system? Should it not be reviewed, harmonized and drastically changed? For example,