

Oral Questions

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Prime Minister. It concerns the proposed—

Some hon. members: Oh, oh.

• (1455)

The Speaker: The hon. member for Sherbrooke.

Mr. Charest: Mr. Speaker, this is the longest question I have had in a long time. My question for the Prime Minister concerns page 58 of the budget plan and the granny tax.

On pension reform, the government announces it will include in its changes the provision of OAS benefits on the basis of family income. That would mean that women who are 65 and over receiving OAS would lose their OAS based on their spouse's income. Will the Prime Minister confirm this to the House of Commons?

[Translation]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, my answer is that the hon. member's claim will not come true. At this point, we want to ensure that the pension plan is reviewed. We are required, under legislation enacted by Parliament, to meet with the provinces every five years. We must meet them this year to discuss that issue. We must ensure that Canada's pension plans can continue to exist for generations to come, as the Minister of Finance indicated in his budget yesterday.

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, my question is for the Minister of Finance. Yesterday, the minister announced that the grain transportation subsidies would be eliminated, adding that a generous compensation of close to \$3 billion, which includes direct subsidies, would be given to western producers. The minister also reduced by 30 per cent the subsidies to dairy producers, who are not so lucky since they will not be getting any compensation.

How can the Minister of Finance justify such an unfair double standard: dairy producers, most of whom are in Quebec, will not get any financial compensation, while western grain producers will?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first, there is a fundamental difference between the two. Clearly, we just eliminated the Crow benefit. However, as regards subsidies to the dairy industry, the Minister of Agriculture is in Quebec City today to meet with association officials. We did not abolish that subsidy: we reduced it by 30 per cent. I have some problem with the member's point of view, but I do understand it. We have to be

consistent. We did reduce the subsidy by 30 per cent. May I quote the Leader of the Opposition when he took part in a debate with Joe Clark? Mr. Clark said:

[English]

“We have substantial subsidies of industrial milk production. As you are going to try to make an independent Quebec more competitive, would you drop those subsidies, Lucien?”

[Translation]

And the leader of the Opposition replied, and I quote:

[English]

“If you ask me yes. Yes, we should stop doing that”.

Some hon. members: Oh, oh.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, my question is for the Minister of Finance.

While normal Canadians are taking a hit in this budget, this year's spending estimates reveal that the budgets for running the Senate and ministerial offices have been increased.

Why is it that senators and politicians continue to ride the gravy train on planet Ottawa while overtaxed Canadians have to tighten their belts?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I believe the Senate line in the main estimates shows a \$1,000 increase.

I understand that the members of the other house are still looking at possible cuts, as has the House of Commons. The chief government whip announced just last week that cuts are being made in the budget of the House of Commons. Not to mention that yesterday in the budget the Minister of Finance announced 19 per cent cuts over three years. These are the most massive cuts which have been made in government expenditure in modern times. In addition to that 19 per cent, a 33 per cent reduction in the MPs pension plan has been made in one year.

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• (1500)

PRESENCE IN THE GALLERY

The Speaker: My colleagues, I would like to draw your attention to a person in the gallery who is no stranger to this House. He is a former Speaker of this House, my brother Speaker, the Hon. Alan A. Macnaughton.

Some hon. members: Hear, hear.