

*The Budget*

of that, and I believe that the other political parties here can be proud of that also.

I trust that in the future Mr. Mulroney will be able to deal with Newfoundland, Manitoba, and New Brunswick so that finally Quebec will gain its place in the Constitution.

[*Translation*]

**Mr. Couture:** Madam Speaker, I have a question for the honorable member for Chambly. Our government has slowed down the growth rate of spendings from 14 percent in 1980-84 to 3.6 percent in 1984-88; the latest budget will reduce it further from 3.6 to 3.2 percent. I would like to know what better solutions the honorable member for Chambly has to suggest.

Here is the second part of my question. Instead of a federal sales tax that is hidden, destructive, and very harmful to all Canadian businesses, the smaller ones in particular, I again ask the honorable member for Chambly what his alternative would be.

**Mr. Edmonston:** First, madam Speaker, about the GST, I must tell you that I do not trust statistics and polls too much, especially not that from government, because I much prefer those from independent sources. A leading article published in *The Wall Street Journal* on December 26 has made quite an impression on me. My honorable colleague has surely read that article. It was entitled: *Ducks Fly North*. This fascinating article showed that, after five years in power and despite the fact that its revenues have doubled during that time, the Mulroney government was on the brink of bankruptcy. *The Wall Street Journal*, this bible of the American businessman, so to speak, has in fact criticized harshly the Mulroney government for its management of Canada's finances. I would suggest that my honorable colleague read the article in question. It was so harsh that the Finance Minister had to write back to *The Wall Street Journal* to ask for some kind of retraction, which the paper never agreed to offer.

As to the second part of the question, namely how to replace the manufacturers' sales tax, you must understand that it has been increased from 9 to 13 or 13.5 per cent—I am not sure which—by the conservative government, which is responsible for this misfortune striking all Canadians. There must be an alternative to the GST

which, according to the increasing number of studies done on this issue, is a dangerous fiscal policy, hurts most Canadians and only benefits the business sector.

[*English*]

**Hon. Warren Allmand (Notre-Dame-de-Grâce):** Madam Speaker, I want to start by congratulating the hon. member on his election and on his maiden speech. I remember very well his work as a consumer advocate in Quebec when I was Minister of Consumer Affairs. Obviously, he has continued his good work over the years.

I want to put this question to the hon. member. He is aware of the fact that the budget freezes EPF transfers to the provinces to the extent of \$7.4 billion. The cost of the two-year freeze will transfer a burden of \$7.4 billion to the provinces. He, like myself, lives in the province of Quebec. We have seen the present situation of health care in the province: emergency wards filled with patients, and nurses on strike because they cannot get a decent wage. I am familiar with the west end of Montreal.

Would he give a lesson to the government members and tell them what these cuts in EPF will mean to health care on the south shore of Montreal, the hospitals, the centres, and the CLSCs, so that they will know what damage is being done to our province by this budget?

• (1620)

**Mr. Edmonston:** Madam Speaker, I thank the hon. member for Notre-Dame-de-Grâce for his question. I think it is an appropriate one.

First, I would like to say that the GST has had an incredible effect, almost to the extent of making the Prime Minister's prediction that he was going to make a national reconciliation. He has reconciled the government. He has reconciled the population against his government.

It is incredible in the province of Quebec, and I think I probably represent the latest survey by my presence here. I believe that you can easily see that the discontent is so serious that it cuts across party lines. It cuts across linguistic lines. It cuts across the geography of Quebec. I guarantee that if the government does not take the GST