

ravage health care, and sock it especially to the elderly. What is the Minister going to do about these sneaky, hidden cut-backs in medical care when he knows that the quality of medical services is going to be impaired, and that an additional 230,000 seniors will be put under the poverty line by 1990 as a result of the Budget's inhumane treatment?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, the Hon. Member says "sneaky" when it is in the Budget. But I remind the Hon. Member that the former minister of Finance made that provision without any consultation or beforehand notice to the provinces when he cut back on the established programs financing. The present Minister of Finance is giving notice now that when the negotiations start on the next five-year program, this is the process he wants to take.

If the Hon. Member takes a look at the budget words, he will find that that \$2 billion would still allow for an increase in the EPF payments from the federal Government to the provinces. But it would be a reduction if one takes a look at the projections from this five-year plan of the EPF to the next five-year plan. If the Hon. Member takes a look he will also find that the percentage paid by the federal Government for both health care and post-secondary education would remain the same.

The Hon. Member should look at his own words when he was in Government and he will see that he said: "When are you going to cut back and make the provinces pay the money they receive from the federal Government for those two programs?" In fact those Hon. Members had a task force trying to monitor exactly that.

* * *

PENSIONS

EFFECT OF BUDGET

Mr. Howard McCurdy (Windsor-Walkerville): Mr. Speaker, this weekend I talked with hundreds of pensioners who, like pensioners all across the country, feel angry and betrayed by a Budget which the Minister of National Health and Welfare himself admits will increase poverty among the elderly. Will the Minister explain to the House, and to those pensioners, why we cannot afford indexation of poverty-level pensions for the elderly but can afford to provide windfall profits to the wealthy and large oil corporations?

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, again the Hon. Member puts words in my mouth—and I take it he does so inadvertently—when he says that I have admitted that the Budget would increase poverty. I have said no such thing. What I have said is that if we can get the economy turned around, and if we can create jobs and wealth, people who are now unemployed in communities such as the one the Hon. Member comes from, which was sorely hit by unemployment will get jobs. Poverty will not be increased, but wealth will be increased, and as that wealth is increased,

and as taxes are paid on that new income, we can also maintain social programs. That is the equation I and my colleagues have been putting forward, and I suggest that that is the equation the Hon. Member should examine.

REVIEW OF EFFECT

Mr. Howard McCurdy (Windsor-Walkerville): Mr. Speaker, perhaps we should get away from rhetoric and get back to the issue of promises, so I will address my supplementary question to the Right Hon. Prime Minister who, a few minutes ago, made another promise. He promised that the situation of the pensioners would be re-examined. I would like to know how the Prime Minister expects to be believed when the Government promised the pensioners that full indexation would be maintained.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I notice that we did not hear from my hon. friend when we had, I think, the very good news again about job creation on Friday. But inasmuch as my hon. friend is from Windsor, perhaps this would interest him. "April was a banner month for motor vehicle dealers as sales of new cars and commercial vehicles hit their highest level ever in Canada".

Mr. McCurdy: I ask you about promises.

Mr. Angus: You don't have an answer.

Mr. Mulroney: Apparently the Hon. Member doesn't want prosperity for Windsor. They will dismiss you pretty quickly in Windsor.

This is good news for the automobile industry.

We have indicated very clearly that it is our intention to monitor events very carefully, and at the earliest possible moment, as soon as resources permit—

Mr. Rodriguez: Another promise.

Mr. Mulroney: —to be helpful to all those affected. The New Democratic Party hasn't said a single word about job creation. All it is concerned about is social discord and class warfare. We are interested in new prosperity and new wealth for all Canadians.

Some Hon. Members: Hear, hear!

Mr. Angus: That won't wash any more.

Mr. Thacker: Did your Leader take a reduction? Not one cent.

* * *

PENITENTIARIES

COST OF MAINTAINING INMATES

Mr. Bill Vankoughnet (Hastings-Frontenac-Lennox and Addington): Mr. Speaker, my question is directed to the