

Oral Questions

We are being realistic with Canadians. We are not hiding from the fact that we have problems, but we are facing up to those problems in a realistic, open and honest way.

I have said many times in the past that members of the Liberal Party of Canada have no ideas on how to deal with these problems. They have no alternatives to the policies that we are putting forward. They are totally bankrupt of ideas.

Mr. Brian Tobin (Humber—St. Barbe—Baie Verte): Mr. Speaker, this Minister of Finance is bankrupt of integrity. He stole the last election.

Some hon. members: Hear, hear!

Mr. Tobin: Mr. Speaker, for 123 years this nation has strived to build on the principle of equality of opportunity for all Canadians. We have always believed that no matter where we live in Canada, no matter what our circumstance, we are entitled at least to equality of service in fundamental areas like education and health care.

With the stroke of a pen the Minister of Finance shattered that dream and vision yesterday.

My question is the following. Why is the Minister of Finance today telling Canadians that quality education and quality health care in future will only be available to those wealthy and privileged few Canadians who can afford it?

• (1430)

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the hon. member forgot one thing in his comments about equality of opportunity. He forgot to say that the Liberal Party of Canada believes equality of opportunity to mean bearing an increasing burden of debt year after year after year. This budget is going to stop that.

This party also believes in the highest quality of health care and the highest quality of education that we can have in this country, but we also understand that if we have 35 per cent of every revenue dollar going to pay our interest costs, and that amount is rising, then we will not have the money. We will not have the money to spend on health care, on post-secondary education, on the environment, on native affairs, or on any of these policies. What we understand is that if we can get that 35 per cent figure down to 26 per cent, which is in our plan for the next five years, it will mean that we will have billions of dollars more money either to cut taxes, look after

maintaining and improving these programs, or look after new initiatives such as the environment.

[*Translation*]

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, my question is directed to the Minister of Finance.

Yesterday, the Minister of Finance stated there were no tax increases in his Budget. What an odd thing to say, Mr. Speaker, when Canadian men and women still remember the de-indexation of family allowances; the threshold for the child tax credit; higher unemployment insurance premiums and, of course, the sales tax announced several months ago.

Mr. Speaker, this is only the beginning. Will the Minister of Finance rise in the House today and say that his Budget will not force the provinces and the territories to raise taxes because otherwise, health services and postsecondary education will suffer?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, when there are no new taxes in the budget, does the hon. member suggest that I say that there are new taxes in the budget? There are not new taxes in this budget.

Some hon. members: Hear, hear!

Mr. Wilson (Etobicoke Centre): She has held out all sorts of doom and gloom scenarios in the preamble to her question. What I say to her is: look at what we have done in the context of the transfers that we are making to the provinces. The transfers will continue to grow next year by 3 per cent. Federal program spending will grow by 3 per cent. We are not asking the provinces to do anything more than we are willing to do ourselves as a federal government.

Let us also recognize that the impact of the changes, the reduction in the growth rate of the transfers to the provinces, amounts to a little over half of one per cent of the provinces' program spending in year one and a little over one per cent in year two. In the context of the adjustments that have to be made today, that is certainly an amount that the provinces can easily adjust to without the doom and gloom scenarios as my hon. friend is saying.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, I have a supplementary question. Obviously the Minister of Finance has not been talking to his counterparts in the provinces and the territories. Clearly it is going to be a tremendous burden, especially in those areas of Canada where it is more difficult to raise additional revenues and