

*The Budget*

that they met the demands of the official opposition. The Minister of Finance must be joking.

What did the Minister of Finance do in this budget to reduce duplication and waste? As the champion of restructuring, of flexible federalism, of the progressive backward status quo, the Minister of Intergovernmental Affairs, said himself, the federal government will continue to be active in areas of provincial jurisdiction. He made this comment while referring to forestry and health services.

The budget itself tends to download deficit problems while keeping a firm central rein on areas of provincial jurisdiction. Be they known as Canada-wide standards, guiding principles or by any other name, the budget's bottom line is that over the next few years, there will be no decrease in overlap, duplication and waste in the management of public funds. We are certain that this overlap and wastage will persist because the federal government will not withdraw from areas falling under provincial jurisdiction.

This budget talks of an increase in taxes on gasoline but pays only lip service to the issue of collecting the some \$6.6 billion in unpaid taxes payable to the federal government.

If we compare last year's budget to this year's, we see it contains no concrete measure regarding the collection of these unpaid federal revenues. Instead of recovering these \$6.6 billion in unpaid taxes, the minister has created new taxes, new needs and imposed cuts on the most needy.

Earlier, I heard the minister talk about agriculture. It is disgusting what is happening with agriculture. To compensate the prairie provinces for the loss of the famous Crow's nest rate and of subsidies for the transportation of grain and for the drop in land values, this new budget will give western producers \$1.6 billion to start. They will also receive \$1 billion in loan guarantees.

To that, we can add \$300 million for the transition. Close to \$3 billion will be invested in Western Canada following the elimination of the Crow's Nest subsidy, while there is nothing in the budget for Quebec. On the contrary, the budget cuts the dairy subsidy by 30 per cent, which will have a major impact in Quebec since 50 per cent of dairy production comes from that province.

While giving \$3 billion to Western Canada, they are cutting by 30 per cent the dairy subsidy to Quebec farmers, which amounts to between \$30 million and \$40 million, in addition to reducing their income security. That is a disgrace! They are perpetuating all that has been denounced for 30 years about a system that does not treat Western and Eastern Canada equally in various regards, particularly in the agricultural sector.

I could have mentioned the blind cuts affecting cultural institutions, like the CBC, and regional development, but I will not go any further since we will have the opportunity in the coming days to discuss in more detail this budget, this crock supposedly aimed at restoring some confidence among Canadian taxpayers.

Today's budget does not tackle the real problems. In fact, the Minister of Finance is not credible when he expresses his intention to eliminate the deficit, because he does not address our serious structural unemployment problem nor acknowledge the fact that there are too many levels of government in this country. Finally, he says he wants to eliminate the deficit without explaining when or how; in particular, he did not outline budgetary appropriations for 1997-98. We do not know where we are going after 1997-98. We do not know where this disgraceful reform to be achieved at the expense of the most disadvantaged and the provinces is leading us.

To deal with both duplication and unemployment, the federal government should have included in its budget a proposal to withdraw immediately from all areas of provincial jurisdiction in return for the corresponding share of our federal taxes. That would be a real reform. That was what we were expecting. As far as restructuring is concerned, that is what we were expecting on this side of the House.

In conclusion, the minister said at the beginning of his budget speech that there were two clouds looming over the horizon. Quebec nationalists are crying out that they want more power, particularly the sovereignists. The second cloud is the debt and deficit. The minister is deliberately looking for a scapegoat for his laxness. He has been lax for the past year, and all Canadians paid for it barely one month after his first budget in the form of increased mortgage or other interest rates.

We are paying for this laxness. If a cloud is looming over the horizon, the minister should have added two more to replace the constitutional cloud. His government is the looming cloud. His government has had a year and a half, but has not made the right decisions, leaving us facing huge cuts this year. And they will carry over into the coming years as well. Because the government is lax, we have this enormous problem of the federal debt before us. Another cloud looming over the Canadian horizon is unemployment.

There should have been talk of tackling unemployment, but no mention was made, because it is not a priority for the minister. It is not a cloud looming over this government, despite the fact that 1.2 million people are out of work in Canada, and people are waiting for training, who have not had it because of the government's inertia.

I therefore move:

That the debate be now adjourned.