



PRESS RELEASE

For immediate release

“THE BLOC QUÉBÉCOIS DOES NOT BELIEVE IN FIGHTING THE DEFICIT AT THE EXPENSE OF THE LESS FORTUNATE AND THE MIDDLE CLASS”

– Jean-Yves Laforest and Daniel Paillé

Ottawa, Monday, October 5, 2009 — “The federal government is racking up deficits again, and the Conservatives and Liberals are not telling people how they plan to restore balanced budgets. It’s sad to see that Ottawa is run by a system in which the two major federalist parties share the same viewpoint and defend the interests of the wealthy. It’s the disadvantaged and the middle class who will pay the price,” said **Jean-Yves Laforest**, MP for Saint-Maurice–Champlain and Bloc Québécois Finance Critic, calling on the government today to act before the situation gets out of control.

“Like the Liberals before them, the Conservatives promised not to raise taxes. And like the Liberals, they decided to increase Employment Insurance premiums on the quiet and reduce the deficit on the backs of workers. The Harper government expects to take \$18.9 billion from EI coffers between 2012 and 2015. During that time, banks, major oil companies and the wealthy will keep on getting richer because they are avoiding taxes, mainly through exemptions,” explained **Mr. Laforest**.

The Bloc Québécois MP estimates that tax exemptions enable the major banks to save more than \$2 billion annually at the expense of the less fortunate. Worse still, through arrangements with Ottawa, the major oil companies will be able to recover up to \$9 billion over the next three years.

“The Bloc Québécois finds it unacceptable that the deficit is once again being fought at the expense of the less fortunate and the middle class,” said **Mr. Laforest**. “When it comes to keeping its own house in order, Ottawa fails miserably. As the Léonard Report showed, Ottawa has let its operating expenses skyrocket over the past decade. Between 1998 and 2007, they increased by 74 percent!”

The Bloc’s proposal

Daniel Paillé, the Bloc’s economic advisor, says the Bloc has prepared a series of measures that would enable the federal government to save about \$16 billion per year without taking a penny out of the pockets of the less well-off or the middle class.

“Ottawa has to clean its own house first by slashing administrative expenses,” explained **Mr. Paillé**. “It’s quite possible, as the Bloc Québécois committee that reviewed federal programs showed in its plan last year. Ottawa could save some \$8 billion annually without laying off a single public servant or touching transfers.”

“Similarly, Ottawa must reduce its military spending. We urgently need a thorough committee review of all acquisitions over \$100 million. In the meantime, the government must impose a moratorium on military purchases and consider its activities post-Afghanistan. These measures would save at least one billion per year,” he said.

“The Bloc Québécois intends to step up its efforts to have Ottawa end tax exemptions for corporations, the wealthy and the major banks. This measure would bring in \$3 billion annually. We will also fight to have the oil companies contribute their fair share by putting an end to their special exemptions. This would put some \$2.7 billion per year in Ottawa’s coffers as of 2011,” explained **Mr. Paillé**.

“Lastly, we are proposing a series of measures that draw on the resources of people with higher incomes. A surtax of 1% for people with annual taxable incomes of \$150,000 and more—modeled on the measures introduced by the Obama Administration—would bring in \$1.5 billion more annually. We are also proposing, like many European countries, a tax on international financial transactions so that the major financial institutions, the ones who are primarily responsible for the current crisis, will help to clean up the mess.”

Standing tall

“Clearly, it’s possible to fight the federal deficit by aiming at the right targets and not firing once again on the middle class, workers and Quebec. The Bloc Québécois is going to challenge the Liberal-Conservative system and stand up for Quebeckers, and these goals will guide our proposals for tackling the deficit,” he said.

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