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Menard applauds Tory budget's fiscal imbalance plan

Budget is an electoral one, warns the Bloc MP

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Serge Ménard, Bloc MP for Marc-Aurèle-Fortin, is starting to see some encouraging signs from the Conservative party. Ménard believes that the Tories have taken some positive first steps in its budget released on May 2.

The MP explained that he first noticed an important difference between PM Stephen Harper's government and the former Liberal government led by Paul Martin. Ménard pointed out that the Tory government has set up a solid plan to solve the fiscal imbalance by next year. "At least the Harper government is trying to find harmony with the provinces and is doing an important effort in solving the fiscal imbalance," Ménard told TCN. "That's (fiscal imbalance) what rotted our health care, our education system, and all our most important programs."

Ménard conceded that although the federal government has strived to improve the situation of students and low-income families, more could have been done. He explained that the \$1 billion committed for post-secondary education and the \$800 million reserved for social housing are not enough. "It's a show of good will, but I believe the government had ways to give more than that," Ménard said. "For instance, they could have done more than giving tax credits for public transit users and stop taxing students' bursaries."

Despite the Bloc's approval on certain aspects of the budget, there are many points that they disagree on. The reduction of

environmental budgets and of the tax rate, cutting the GST by one per cent and the introduction of the Tories' \$1,200-a-year child care plan were met by disapproval by Ménard. Increasing the lowest tax rate to 15.5 per cent while applying it only to people who make over \$36,000 is one of the budget's deceptions according to Ménard.

The Bloc MP is frustrated at the government's decision to go along with a \$1,200-a-year child care program. Not only does the philosophy surrounding the decision is old-fashioned, but the fact that the province will tax the \$100 a month allowance on a couple's lowest income will only incite women to stay at home, he says. "The daycare system in Quebec is the best, the government should have invested in it instead," Ménard commented. "Anyway, who will find someone to babysit their pre-school child for \$100 a month, it's ridiculous." He suggests that a tax credit would have been more effective in this case, which would have kept the provinces from taxing the amount.

Other than a program aimed to help older workers who find themselves a few years short of their retirement, Ménard pointed out that there isn't much help for lower-income families. "The best-case scenario for them is that they won't see a difference," he said. "The worst-case scenario is that the GST cut will result in reduced GST refunds four times a year. These checks are often a great help to poorer families."

Although he recognizes that this is an electoral budget, Ménard points out that the Conservative party is making an effort in

strengthening relations between Ottawa and the provinces. He added that the Bloc will support the budget despite disagreeing on a few key points. "This is truly an electoral budget, but for Quebec a main issue was to resolve the fiscal imbalance since it has poisoned the relation between the province and Canada in the past 12 years. The Bloc Québécois will support the budget mostly due to the proposed plan to resolve the imbalance in one year, so we will see what happens until then."



MP Serge Menard