

The Budget—Mr. Larrivée

Mr. Langdon: Mr. Speaker, I should say that contrary to the Government I believe that it is important to reach a position in which we have full employment. I do not mean zero per cent unemployment but 3.5 per cent unemployment which means a straightforward shift from job to job. When we reach that position there is no question that we should have a balanced Budget.

In fact, it is quite possible, if the unemployment rate were to be pushed below those figures, that we might have to look seriously at running a surplus. I know it is heresy for the Government to think that we might possibly have a surplus, that we might have so much growth and so much potential that there is a budget surplus. However, these things used to happen in Canada before this Government took over.

Of course it makes sense at some stage to have a balanced Budget, but that is not the goal in itself. The goal is to see to it that full employment is reached in our economy, just as the goal within a corporation is to see to it that the capital structure is worked out in such a way as to expand the corporation in the most sensible way possible.

[*Translation*]

The Acting Speaker (Mr. Paproski): Questions and comments are over. On debate, the Hon. Member for Joliette (Mr. Larrivée).

Mr. Gaby Larrivée (Joliette): Mr. Speaker, this is the first time I have the opportunity to address this House and if you allow me, I would like to take a moment to thank most sincerely the people in my riding of Joliette for the confidence they placed in me last November.

I can assure them that I shall represent them with dignity and that I shall defend their interests with as much determination as my predecessor, the Hon. Roch La Salle, did for over twenty years.

My statement on the Budget tabled recently in the House will enable me to share with you the reactions of my constituents. First, all are aware of the huge debt we have to deal with and also agree that courageous but fair measures must be taken to solve the problem. They feel that the Budget meets these criteria.

In his May 8 editorial entitled "The Budget—A Good Step", Jean-Pierre Malo of the *Joliette Journal* reflects very well the comments that I was able to pick up in the past few days from my constituents.

• (1600)

He wrote: "Liberals and New Democrats may shout as much as they want, the federal Budget tabled urgently is a good step towards getting public finances back on an even keel." "We had been waiting with impatience and we were rewarded: the Conservative Government has decided to face the music and break the vicious circle of uncontrolled expenditures." He goes on to point out that the Minister of Finance slashed hard where Canadians have least to fear, National Defence. The elimination of 80,000 government jobs, the privatization of Air Canada, and the lighter VIA Rail burden all make sense.

"We do not believe that Canada is headed for a financial crisis with this kind of Budget", he said. "Quite the contrary. Minister Wilson intends to reduce interest rates thanks to his cut-backs which will dampen inflation. In short, the Minister said quite clearly that he is seeking to slow down the rate of expenditures and reduce their uncontrolled growth by a notch.

If the Minister is right, the national debt will melt like snow under the sun. Interests on the debt account for almost one third plus of forecast deficits." He concluded: "The future will tell whether inflation is here to stay or not and thus contribute to increase or decrease our debt. Be that as it may, Minister Wilson will have introduced better management in public finances."

Mr. Speaker, I would suggest that we can bank on the competence of our Minister of Finance and that we can look to the future with optimism if we are prepared to accept short-term sacrifices.

The Budget is a turning point in Canada's future, underscoring as it does the fact that as a nation we have become aware of the threat to our way of life and that we have resolutely launched a counter-offensive. It is telling us that we have decided to act as a Government and as a nation to maintain our standard of living and our social programs, not only for ourselves but especially for our children. This threat is neither new nor unknown. Every Canadian knows how the debt can threaten his or her way of life. We all know what happens to someone who gets buried under debts, who stretches credit to its limit, who skips a few car payments just to make ends meet, and who has to borrow to pay off a loan, paying interest on interest and sinking ever deeper into debt. Every one knows that people like that are in deep trouble.