

*The Budget*

shows. Many observers feel that there is an automatic link between the federal debt and the distribution of powers. Things are not so simple. Reducing the size of government is one thing, but a genuine decentralization is something else. Clearly, the federal strategy is to do the former without a serious commitment to decentralize and therefore without a coherent vision of the future relationship between Quebec and the rest of Canada. That is the budget's main lesson. It is probably a history lesson but for reasons that are the opposite of those put forward by the author.

**Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.):** Madam Speaker, I am pleased to rise today to speak to the budget.

Our position is very clear. International markets have reacted favourably to this budget. Of course, the Reform Party feels that the cuts do not go deep enough. They wanted the government to slash more deeply. We remember the so-called budget they tabled a few days ago—I say so-called budget because it did not generate any positive comments. They tabled this document to convince Canadians that they were competent enough to bring down a budget. All this so-called budget did was to propose deeper cuts across the country.

And then this morning, the Bloc, the official opposition, said that we cut too much or not enough. I listened to their speeches with a great deal of attention and I am not sure that I know what they want. What do they want: more cuts, fewer cuts, different cuts? I do not know.

I have just heard a comment to the effect that the Bloc's suggestion that the size of government should be reduced was held holding to ridicule by the Liberals, and now we are told that we have finally realized that there was some fat to trim after all and made cuts. Is there not a glaring contradiction between these statements?

It seems to me that there is a glaring contradiction. If I am wrong, my hon. colleagues will no doubt ask questions and clarify their position. I would be only too happy. We find ourselves today stuck between the far right and the left—I would even say the far left at times. This is not a bad position at all.

What do the people of Manitoba have to say about this budget? I thought my hon. colleagues from both opposition parties might like to know. One paper ran the headline: "Grits Axe Spending". Another headline reads: "Western Diversification to Get New Look"; this is positive feedback. This one says: "Social Safety Net Rescued", a quote from the Minister of Human Resources Development.

• (1300)

And it goes on. "Tough Plan Boosts Buck, Raises Hopes". These words were not written by Liberals, I assure you. Also, "Federal Budget Turning the Corner". And this one, from Manitoba: "Budget Draws Applause". So, the response is generally positive in Manitoba. I can see my colleagues from the Bloc Quebecois are just thrilled by this positive response. I will list more positive responses in a moment.

I know how appreciative my colleagues from the Bloc Quebecois are when I mention them in my remarks, pointing out their glaring contradictions, demonstrating that the whole country, except for the official opposition party, can see some good in the budget just tabled. It is not just good, it is beyond being plain good.

As you know, this is a tough but fair budget. Not one region or group of individuals is affected unfairly. Many people are affected, but can you say they are treated unfairly? If so, please let me know.

The Minister of Finance made a special effort to distribute budget cuts equitably amongst the various regions. I must add that this budget takes necessary steps, and I stress the word necessary, to bring the deficit under control. These are the most severe budget measures taken by the federal government in fifty years. This will ensure that the deficit is going to be brought back to 3 per cent of the GDP by 1996-97.

Consequently, the budget exceeded the expectations of international traders. I should add that this is not the budget of a Conservative government. This budget does not make indiscriminate cuts: it redefines the role of the government, so that every department can concentrate on the priorities of Canadians. This is something important. We are going to do what we have to do.

I do hope that Bloc members will be pleased to see that, following the implementation of the measures announced in the budget, overlap and duplication will be reduced. Bloc members will surely be pleased to hear that, since they talk so much about that issue.

Moreover, unlike the previous Conservative budgets, we did not target the poor, absolutely not. The Liberal Party of Canada made a commitment regarding social programs.

Later this year, the Minister of Human Resources Development will table a bill on a significantly revamped UI program designed to better meet the needs of all Canadians.

Our government is also determined to provide fair, financial protection to our seniors, who have made such an important contribution to this country's development.

There is more. As I mentioned earlier, this is a tough budget but, according to most observers, it is also fair. To reach our