and the NDP helped them in doing damage to Canada. The rail dispute lingered on for more than a week and the cost of that delay was very expensive.

In the Canadian grains industry alone, that one lost week represented a loss of revenue from grain sales in the order of $100 million, plus the delay caused by the Bloc Quebecois and the NDP damaged Canada's international reputation as a reliable agriculture and agri–food supplier to world markets. It is truly impossible to fathom why the NDP would give credibility to the Bloc by supporting the BQ in stalling the legislation to bring the work stoppage in the rail system to an end.

But the rail dispute is not the only example of a similarity between the NDP and the BQ. They also have similar approaches when it comes to an analysis of the federal budget, which is the subject of the motion today. Both of these parties, devoid of any national vision, without a serious commitment to Canada as a whole, resort to the small and petty politics of fostering regional divisions. Each of them in their own way try to make the case—the erroneous case—that their region has been unfairly treated and some other region has been given some unwarranted advantage.

The BQ claim unfairness toward Quebec and they attack western Canada. The NDP claim unfairness toward the west and they attack Quebec. Both of them are absolutely dead wrong.

The 1995 federal budget has in fact been very well received across this country, and significantly in all parts of this country, for three reasons. First, it launched a genuine and concerted attack against the horrendous problem of government debt and deficits. This budget is for real. It is not smoke and mirrors. It sets the government on a true and definitive course toward achieving our deficit reduction targets as promised in our 1993 red book platform. What we are doing in this budget is what we committed ourselves to do in the last election. We are bringing the annual deficit down below 3 per cent of gross domestic product over three fiscal years.

● (1040)

Consider the problem of debt that we inherited when we came to office in November 1993. The annual deficit at that time was running in excess of $40 billion a year. That was about 6 per cent of the country's gross domestic product. Think of this. The agriculture and agri–food sector of the Canadian economy, all included, amounts to about 8 per cent of our GDP. So the deficit, at about 6 per cent of GDP, was eroding three–quarters of the economic value of the entire agriculture and agri–food sector.

The total accumulated federal debt was running, when we came to office, at something in excess of $500 billion. Interest costs were approaching $45 billion or perhaps even $50 billion a year. That works out to $850 million every week, or $120 million every day just to pay the interest. In fact, if we were to add together all the net incomes of every single farmer in Canada for the next ten years, we would barely have enough money to pay the interest on the national debt for one year. That indicates the magnitude of the problem. The problem is huge, it is urgent, and in that last budget it demanded swift and decisive action.

We have acted. We have met and exceeded our deficit reduction requirements for 1993–94. We have met and exceeded our deficit reduction targets for 1994–95. We will continue to meet our objectives with respect to the deficit in 1995–96 and in 1996–97. We will bring the deficit down below 3 per cent of gross domestic product within three fiscal years, as we promised to do. Beginning in 1996, for the first time in a long time, Canada's debt—not just our deficit but our overall debt–to–GDP ratio—will also begin to come down.

Yes, the budget is strong medicine. Yes, it is tough. However, Canadians have supported it because they know it is necessary to deal with the horrific debt and deficit problem that this government inherited.

The second reason the budget has broad and general support is that it is fair and balanced. It tries very hard not to single out sectors or regions. The toughness in the budget is evenly distributed everywhere.

There are two kinds of measures in the budget to deal with the deficit. On the one hand we have reduced the overall level of government spending; on the other hand we have increased the level of government revenues. For every dollar raised in new revenues there are nearly $7 in spending reductions. That, of course, is consistent with what Canadians told us to do: focus on reducing spending.

When we add together the combined impact of all the budget measures, the spending cuts plus the revenue increases, and then analyse how that impact is distributed across the country, we find that in every region of Canada the budget's impact is closely in line with each region's share of the total population of Canada and each region's share of total federal government spending. The variations from region to region are only a few small percentage points, so there is a fair and balanced distribution of the burden.

With respect to agriculture, my department has not been singled out for any extra burden. In 1994–95 our budget was $2.1 billion. Over the next three years we will reduce that budget amount by $405 million, bringing it down at the end of the three–year period from $2.1 billion where it is today to $1.7 billion. That amounts to a cut of 19 per cent, and 19 per cent is exactly the average of all departmental spending reductions across the entire government. Most of the economic portfolios of government are reduced by an amount greater than 19 per cent. Most of the social portfolios of the government are reduced by an amount less than 19 per cent. Overall the full government average is 19 per cent. That is the reduction in the