

The Budget

workers. This reform of family benefits is an outstanding success.

Madam Speaker, I still have a very long list of the benefits of this budget. In closing, I think that we must all applaud the Minister of Finance and support him most warmly.

Mr. Gaby Larrivée (Joliette): Madam Speaker, I am very pleased to participate in the debate on the budget tabled by our government for the 1992-93 fiscal year.

First, I want to thank my colleague, the Minister of Finance, for a budget that takes into account the concerns of the population of Joliette and of all of Canada.

Last January, during the Christmas recess, I had the opportunity to meet several of my constituents. These people told me about their main concern, namely the economy. They told me that the government should reduce its expenses and learn to live according to its means. They also told me that they felt overburdened with taxes. Today I can tell my constituents that the government listened to them.

Madam Speaker, we cannot review this budget without taking a quick look at the way the previous federal government managed public moneys in the last 20 years.

• (1920)

The deficit that Canadians have to live with did not simply appear. This deficit is the result of bad management that started in the mid-seventies and went on until the mid-eighties. From 1975-76 to the 1984-85 fiscal year, Canadians watched their government incur operating deficits that increased year after year, going from \$2.25 billion to more than \$16 billion within 10 years.

It was not easy for the Conservative government that was elected in 1984. When it came to power, the accumulated deficit stood at approximately \$206 billion. The budget deficit was \$38 billion, that is an operating deficit of \$16 billion and \$22 billion in interest payments on the debt.

As early as September 1984, the Conservative government put some order in the management of public funds. It gradually reduced the operating deficit and eventually converted it into an operating surplus in 1987. Since then, the federal government has not had any operating deficit.

This good management of public funds was not enough to keep the accumulated deficit that stood at \$206 billion in 1984 from climbing to \$420 billion in 1991. To understand that, we must look at what is this accumulated deficit for 1991-92. This deficit includes an amount of \$206 billion which represents the national debt that we inherited. If you add to this debt compounded interest of \$239 billion and subtract our government's operating surpluses, which total \$25 billion, you arrive at that national debt of \$420 billion.

Madam Speaker, this government has come a long way since it tabled its first budget and it was no small task. We had to reduce our spending while continuing to provide Canadians with the services they are entitled to. That is what this government has been striving to do since 1984. As was so well put in an article by Georges Angers in *Le Soleil*, "the economic and financial situation the Conservatives inherited in 1984 necessitated the drastic procedure carried out by the fine surgeon that Michael Wilson has been."

Madam Speaker, had our government allowed revenue and program expenditures to remain at their 1984-85 level relative to the Gross National Product, in 1991-92, the deficit would have been \$83 billion instead of \$30.5 billion and the accumulated debt would have risen to \$728 billion.

In the public interest, some difficult decisions had to be made by this government. As could be expected, a number of these were not very popular, quite the contrary. But we were not elected to win popularity contests. We were elected to provide sound government.

Some would probably have liked us to settle for solutions of the past, such as increased spending to boost the economy. But government can no longer afford to spend and spend and spend. At any rate, economic recovery does not proceed from greater government action but rather from an appropriate climate in the domestic economy.