

[Translation]

THE BUDGET

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, my question is directed to the Acting Prime Minister.

In its budget, the government intends to spend \$3.5 billion to compensate Western grain producers for eliminating the Crow subsidy which totals nearly \$600 million annually. This compensation will be a direct incentive for the diversification of agricultural production in Western Canada.

Considering current budgetary constraints, how can the Liberal government justify replacing a grain transportation subsidy of \$560 million with financial compensation and guarantees totalling \$3.5 billion?

[English]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, a number of actions were taken on the agricultural front dealing with both the WGTA and the dairy subsidy. I remind hon. members these are two different agricultural sectors. We had a question from the Reform Party yesterday from a different perspective.

We are working with each of these communities to make sure that we do things properly. The dairy subsidy is being approached in an entirely different way than the grain transportation subsidy. As we work our way through the communities we will continue making announcements to make sure these subsidies are both reduced and properly looked after.

[Translation]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, I may recall this is a ratio of 6 to 1. How can the Liberal government justify this inequity which deprives Eastern producers of any form of compensation, although they will be the first to suffer as a result of competition from Western farm producers who are being subsidized by the federal government to diversify their production?

[English]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I would remind the hon. member for Frontenac that the changes made to the Western Grain Transportation Act are one time and final. As of August 1 this year the western grain transportation support will be over and done with. The dairy support—it is one of the hon. member's concerns—will still be 85 per cent in place as of August 1, 1995.

The changes we have made to the agriculture and agri-food budget have been fair and equitable. They will be effective.

Oral Questions

I would also remind the hon. member that Quebec has not been unduly affected by the budget. If I look at the changes in the research branch, the reduction in staff in the province of Quebec at the end of all this—

The Acting Speaker (Mr. Kilger): Order.

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THE BUDGET

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, the Reform Party, in criticizing the budget and management of the economy, has been speculating that Canada will not be able to sustain the economic growth rate required to meet the deficit target.

Would the Parliamentary Secretary to the Minister of Finance provide the doom and gloomers on the other side of the House with real facts and figures on Canada's economic growth?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I welcome the opportunity the question from the hon. member for York—Simcoe gives me to tell the House that the economy is coming along quite well.

Statistics Canada said this week that the economy has improved and that we have had the fastest growth rate in five years. It was 4.5 per cent throughout the year. For the first time in 40 years we are now competitive with the United States on every measure. That is why our exports are driving the economy.

Most important—and all members of the House will appreciate this—finally consumer confidence is growing. With a 7 per cent increase in retail sales I believe every Canadian feels he or she is participating in the renewal.

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● (1140)

PENSIONS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, let us not forget what we have learned today, that the Liberals now define spending cuts as a better way of doing things.

The Liberals' two-tier pension plan through trough regular and trough light will continue to make millionaires out of defeated cabinet ministers. On Monday, the President of the Treasury Board acknowledged that members of Parliament contribute double what is normal in the private sector to their own plan. He said that in the House.

How can the Liberal government justify this double standard of asking Canadians to sacrifice while most ministers continue to stuff their mattresses?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is funny that members of the third party talk about