

*The Budget—Mr. Monteith*

she needs to be that pessimistic. The situation is certainly not all dark, far from it, and we have taken the necessary steps to ensure that progress will be made on a long-standing basis for the whole of Canada and also for our provinces.

• (1550)

**Ms. Clancy:** Mr. Speaker, I would like to thank the Hon. Member for Langelier (Mr. Loiselle), and indeed I thank him as well for his moral support earlier when I was nervous about getting up.

However, I do not deny and I am sure the Hon. Member, by his speech, does care. He does care. Unfortunately, I think that this caring that may exist in isolated spots on the opposite side of the House does not necessarily run through to the powers in the front benches. I think there are problems in Atlantic Canada that clearly do not have a priority with this Government. While I think that the Hon. Member means very well when he talks about the reform of the sales tax, I have to tell him most seriously, most definitively, that for small business people in Nova Scotia and most particularly in my City of Halifax, that is not true. They are frightened.

Music school operators and restaurateurs in particular are very frightened. Parents are frightened. Every voter, every citizen in my riding sees the possibility of an extra \$1,000 a year coming out of his or her pocket. Piling that on top of the surtax is just creating a situation in an area that is economically depressed to a degree, and has been economically depressed for a long time; it is untenable and unacceptable.

I realize that he as an individual cares. I fear the Government as a group does not.

**Mr. Deputy Speaker:** Resuming debate. The hon. Member for Elgin (Mr. Monteith).

**Mr. Ken Monteith (Elgin):** Mr. Speaker, it gives me great pleasure to rise today to speak in the debate on the Budget. As a new Member of Parliament for Elgin, I have the honour to represent the people of Elgin County and Norfolk Township. As many Members will already know, this area is prime agricultural land and many constituents are active farmers. As well, we have a large

number of small businesses and I am pleased to report we hope to have more in the very near future.

The Chamber of Commerce has reported that there has been significant interest expressed by companies in the United States about relocating to Elgin since the implementation of free trade last January. I chose this opportunity to make my maiden address to the House of Commons because of the important messages contained in this Budget.

This Budget is about Canada's future. It is about the future of our children and our grandchildren as they enter the workforce and establish their own homes. This Budget means taking control today so that our children will have jobs and our seniors will have the income security programs that have become part of the Canadian way of life. This is significant in Elgin because 40 per cent of our population is either under 18 years of age or over 65.

This Budget looks seriously at our problem of debt and the ways to reduce it. It proposes that everyone should have a part in reducing our national debt. This Budget did not hit the poor, instead it was crafted carefully to protect low income Canadians.

The Budget proposals do not take away anyone's pension. The concept of universality remains firm. All Canadians entitled to old age security or family allowance will continue to receive it. What the Budget does do, though, is ask of those Canadians with the higher income to pay back some of these benefits.

Canadians with net incomes of over \$50,000 are asked to repay benefits at a rate of 15 per cent of individual net income exceeding this amount. This measure will be eased in over three years and the threshold limit will be reviewed periodically. Is this so unfair, given our national debt? Is this unjust? I think not. I believe Canadians will realize that this Budget is necessary action.

When we look at the bottom line, we realize that the national debt is now more than half the size of the economy and is growing faster than the economy. Interest payments will require more than a third of the federal revenue this year. Mr. Speaker, the Conservative Government has worked hard to bring down the growth of the public debt.

**An Hon. Member:** Oh, oh!

**Mr. Monteith:** For example, the public debt growth averaged 23.5 per cent a year over the four years ending in 1984-85. In the four years ending 1988-89, this growth