

Over all, the major thrust of tax reform will be to simplify the tax system, to limit special preferences and provide incentives through lower tax rates. To achieve these goals, we must deal with the three elements of our tax system together, as an integrated package.

[Translation]

Our proposal for tax reform will make our tax system more fair, less complex and more understandable. It will reflect our commitment to economic progress and social justice.

[English]

I am tabling the document I referred to earlier, as well as supplementary information, and Notices of Ways and Means Motions covering tax and tariff measures. I will also, pursuant to a motion of this House, introduce today a borrowing authority Bill. In light of the increase in Canada's foreign exchange reserves, I will be seeking supplementary authority for this fiscal year. I will also be seeking borrowing authority for 1987-88.

I hope that this bill will be dealt with expeditiously.

CONCLUSION

This Government has acted on initiatives of fundamental importance to the Canadian economy. This reflects the scope of the challenge that we inherited, and our determination to meet that challenge. We will continue moving forward with our program for economic renewal in a carefully managed, consistent way.

From the standpoint of new initiatives, this Budget represents a breathing space prior to the presentation of major proposals for tax reform. But I have also made clear in this Budget that while great progress has been made on the nation's deficit problems, there can be no holiday from fiscal responsibility.

The challenge is to maintain sound, steady management of both the fiscal and economic situation. We are meeting that challenge. We will continue to do so.

[Translation]

I have talked with and heard from thousands of Canadians these past two and a half years. I can say with confidence that Canadians from coast to coast will not be daunted by the challenges ahead.

[English]

Economic renewal is not just a test of government. It is a test of all of us and our ability to share in the effort to build a stronger economy. And the most important test of our success is the economy's progress, the progress of all Canadians who, individually and collectively, make the economy what it is.

● (1720)

Our progress is measured in growth, jobs and new opportunities and in a stronger economy better able to meet the

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challenge of rapid economic change and increasing international competition.

The results tell the story. We are on the right track. Our program of economic renewal is working. And we have only begun to see the results that we as a nation can achieve if we stay the course. We must continue to build a stronger, more dynamic and more flexible economy that works for the benefit of all Canadians.

Some Hon. Members: Hear, hear!

[Translation]

Mr. Speaker: Order! Pursuant to the order agreed to on Friday, February 6, 1987, the House will now revert to introduction of Bills.

ROUTINE PROCEEDINGS

[Translation]

BORROWING AUTHORITY ACT

MEASURE TO ENACT

Hon. Michael Wilson (Minister of Finance) moved for leave to introduce Bill C-40, an Act to provide borrowing authority.

Mr. Speaker: Shall the Minister have leave to introduce the Bill?

Some Hon. Members: Agreed.

Motion agreed to, Bill read the first time and ordered to be printed.

Mr. Speaker: When shall the Bill be read the second time? At the next sitting of the House?

Some Hon. Members: Agreed.

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THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The House resumed consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the Government.

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, in concluding his Budget Speech, the Minister of Finance (Mr. Wilson) observed with great satisfaction that his Government was, as he said, on the right track. I want to ask the Minister of Finance (Mr. Wilson) how he could possibly reach that conclusion in his speech today, when in seven or eight out of ten provinces in this country, the unemployment rate is higher