

The Budget

self-esteem, receiving joy from the notion that the receiving is in the giving?

This is a budget debate, but there is more to a budget than numbers. There are the people who are affected by change.

[Translation]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Madam Speaker, the hon. member used the word manipulating several times, as in manipulating facts and figures in our analysis of the budget that has just been brought down, and as in political manipulating with respect to the referendum. I may remind the hon. member that in Canada, political manipulation is what happened in 1982 when the Canadian Constitution was patriated against the will of a unanimous National Assembly in Quebec. The terms of the contract that binds us were changed. That is political manipulation.

I would like to ask the hon. member, since we have nothing to gain by staying in Confederation and, eventually, we will have a referendum, whether he thinks the budget that was brought down yesterday is likely to help matters?

[English]

Mr. Harvard: Madam Speaker, there is a body of opinion in the province of Quebec that says we are committed to the so-called status quo, that the choice in the coming referendum will be between the status quo and sovereignty.

I submit there is another choice. It has to do with a progressive federalism, a federalism that is alive, a federalism that grows and evolves. Looking at the budget you can see how the federalism we have is flexible and how it can grow. The changes recommended under the Canada national transfer program give more flexibility to the provinces, which is something they have wanted for a long time.

We in the federal government want national standards and national principles and we will have them. The budget shows that federalism, as we know it, is a living thing. It is a living organism. It changes with the times. It adapts to new circumstances. It adapts to new conditions.

• (1525)

I know this will come as a great disappointment to the sovereignists that go around telling their friends that our kind of federalism is carved in stone or frozen in ice. Nothing could be farther from the truth.

[Translation]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Madam Speaker, there is a lot of talk about flexible federalism. In 1980, Quebecers said no to sovereignty for

Quebec, one of the main reasons being that we were told if we voted for sovereignty, we would have a terrific problem with debt, unemployment, the deficit and taxes. Of course we said no.

In 1980, Canada's debt was \$80 billion, and now, 15 years later, it is \$550 billion. Is that progressive federalism, is that flexible federalism? Would the hon. member not agree that this much vaunted federalism is "broke"?

[English]

Mr. Harvard: Madam Speaker, when we came to power in the fall of 1993 after nine years of Conservative rule our fiscal house was in shambles. It was not in order. It has taken us a number of months to get to where we are today. However, this budget is going to get our fiscal house in order.

If there is disenchantment in the province of Quebec or anywhere in the country, it is because we had a federal government for nine years that simply would not address the nation's finances, that would not address our national problems.

This government will address those problems. The deficit and debt will be reduced systematically and methodically. In the not too distant future we will be in a situation where there will be no deficit whatsoever.

[Translation]

Mr. André Caron (Jonquière, BQ): Madam Speaker, I welcome this opportunity to speak to the budget brought down yesterday by the Minister of Finance. I want to take this opportunity to inform the public that although the Minister of Finance promised to do something about the debt and tax reform when he brought down this budget, he failed to keep his promise.

Yesterday, the Minister of Finance started his budget speech by identifying Canada's two major problems. First, the Quebec referendum and second, the debt. Upon reading the budget I have to conclude that the Minister of Finance is only considering Canada's problems. Of course Quebec seems to be a problem for Canada. What is the Minister of Finance doing and what has the federal government been doing for the past 20 or 25 years? The federal government considered the problem, looked at it, examined it, thought about it, but did nothing to resolve it.

This is somewhat the case with the debt as well. For 25 years, finance ministers have been looking at the debt. Both Liberal and Conservative ministers, including Mr. Lalonde, Mr. Wilson and Mr. McEachen have had a look at it. Each one has said, "It is really too bad, we spend more in Canada than what we earn. It is too bad. We should reduce the deficit. We must reduce the debt". And if we take a look at the tables, we see that Canada's debt has been growing for the past 20 to 25 years. We looked at the tables produced by the Minister of Finance following his budget, and the debt continues to grow.