

The Budget

worth, in petrochemical energy. Hibernia is an example of this. The federal government made massive investments in CANDU reactors. The federal government's cumulative investment in this project is \$12 billion, of which Quebec paid 25 per cent. Nothing was ever invested in electricity in Quebec.

This is what we say. I think that what my hon. colleague meant when he said: "We're going to hit the wall quite soon", and I fully agree with him, is that he admonishes that we are on the verge of an apocalypse, and we Quebecers say that our personal apocalypse would be to stay in this system.

Can my hon. colleague tell us his point of view on the differences between how the west and Quebec are being treated?

[English]

Mr. Manning: Mr. Speaker, I could respond to a number of points. I thank the member for his intervention. I remind him that Quebec Hydro has paid no income taxes. Nor was Quebec Hydro ever been subject to a raid by the federal government the equivalent of the national energy program, which is one of the differences between how energy has been treated in the west and how it has been treated in Quebec.

With respect to the agricultural impacts of the budget, I have heard other comments by the member's colleagues implying that there is some unfairness in the government cancelling the Crow rate and compensating western farmers to the tune of \$1.6 billion and the 30 per cent reduction on subsidies to the dairy industry, a large portion of which is in Quebec.

I remind the member that the dairy industry gets its subsidies from two sources. One is directly from the government but the other is from the high level of protection that supply management is offered. That subsidy comes directly out of the pockets of the consumer and not from the government. If we add the levels of subsidy we find the subsidization of supply managed industries in Quebec is as high or higher than the more free market grain trade and livestock trade in the west.

It is for members from the province of Quebec to consider that if Quebec is an independent country the capacity of Quebec to subsidize and protect to the degree it has in the past is gone and those farmers would be hurt infinitely more than they would be by any measure under the budget.

• (1200)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I want to say to the leader of the third party with humour, not anything else, that if he wants to speak without props I suggest he look around here, then look around behind himself where he came to this debate fully propped for his presentation.

It gives me a great pleasure to join in the debate today, which perhaps is one of the most important times of our history, the discussion of the 1995 budget presented yesterday here in the House by the Minister of Finance.

I do not have to tell the House that it not only deals with the questions of cutbacks, with the question of some of the nitty gritty and the program review. In a fundamental way the Minister of Finance has laid out for this government and for the people of Canada how we are going to go about getting government right.

This philosophy is clear. In order to fulfil the ambitions of this government—I hope of the whole House—our job here is to provide an environment for economic growth, for creating jobs for Canadians and to see that there will be new economic wealth shared by all Canadians. In this context that we have set out the first step we must take is to make sure we get government right and we do things properly here in Ottawa.

[Translation]

This budget will result in considerable savings so that we can meet our red book commitment to reduce the deficit. Furthermore, if the economy does better than forecast in our extremely prudent estimates, the deficit could go down even faster.

[English]

This will pay off not only this year, not only next year, but because we are getting it right this time, it will pay off long into the future.

As an aside, everyone in this House should be heartened by the tremendous positive reaction. This budget has been accepted by Canadians from coast to coast, by people who are concerned about our deficit but on the other hand wanted to be given hope that the government was not going to hurt their lives unnecessarily. Yes, the price is being paid by many people in many ways in many walks of life. On the other hand, it is also gratifying that Canadians have come to a point in this development where they can say this is the right step, that we are doing the right things for Canada. International observers who do have an influence on our success have also seen that the Minister of Finance has taken the right steps and is going about putting our house in order.

This budget is different, very different from the previous Tory budgets. People ask me that question all the time. We are not just making rhetorical flourishes. We are doing very precise things. We are going to be successful. It is not a budget of promises. It is a budget of commitment. We proved last year that we can fulfil our commitments. We will prove it next year, the year after and the year after that.

Most important for people on this side of the House, this is not a Conservative budget in a fundamental way. It adheres to the Liberal legacy of nation building. It is clearly rooted in the principles of economic leadership, compassion and increased