

The Budget

gains for income splitting purposes. That is the loophole we were trying to get rid of. Once again the budget has shown that we are committed to reductions as long as they are fair.

There is more good news for my constituents in the budget such as changes to the government's role in transportation. The federal government's role in transportation is evolving from that of being an operator of the system into one that is primarily a policy maker, a regulator and a landlord with only limited operational responsibilities. Subsidies are being reduced and in many cases eliminated. Major operations will be given more commercialized forms and remainder operations will be made more efficient with greater reliance on users rather than taxpayers to pay the cost of the transportation system.

Thus the budget reduces net spending by Transport Canada and related agencies by over 50 per cent in 1997-98, from \$2.8 billion to \$1.4 billion. As a consequence the port of Vancouver in my riding and other ports across Canada will have the opportunity to thrive under the autonomy they have sought for many years now and finally become competitive.

Changes to the mining sector will have a positive impact in the long run in B.C. In the budget the federal government has decided not to renew mineral development agreements, but it also likes to emphasize that this non-renewal does not mean it has abandoned the mining sector. The mining sector has not had a fair system of taxation to assist it in different levels of mining such as reclaimed mines versus new mines. We are going to look at these issues so that we can give that sector what it needs and remove the barriers so it can thrive and become as viable as we know it can be in Ontario and in British Columbia.

I would like to comment a bit on members of the Reform Party in the House who have attacked our budget. They have said we have not done the things we should do and they have discounted our figures. They have said that we have been hypocritical.

The budget tabled by the third party was punitive and non-creative. Throughout the history of the country the Liberal Party has always been here at times of change. Whenever the country has sought to move into new areas, has sought to become a greater country or has sought to change the way we do things, there has always been a Liberal government in place to lead us into the changes.

We are moving into the 21st century. There will be many challenges for the country. We have seen we need to be competitive. We have seen we need to look at training. We need to look at employment. We need to look at jobs. We need to look at economic growth. We are focusing on economic growth. We are

focusing on the engines of growth: small business, science and technology. We are going to make the country move forward.

As always, a Liberal government has been there to help Canada to manoeuvre its way through difficult times. We will be here once again to move us into the 21st century when I know the world will look to Canada for leadership.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Madam Speaker, I was listening to what my colleague has just said with great interest. I do believe her Liberal roots are showing.

• (1710)

It is full of sophisms. I will make a comment and then put a question to my colleague. How will it be possible to provide quality health care when transfer payments to the provinces will be cut by \$700 million next year? How will it be possible to improve health care? She spoke at length about this earlier.

If I were a young graduate, I would be very concerned tonight. If I were on income security, I would be even more concerned. If I were unemployed, I would be extremely concerned. They are talking about cutting 45,000 public service jobs, about closing military bases in Saint-Hubert and elsewhere. The extremely competent workers who will lose their jobs will surely find other jobs, but for a 24-year old graduate, it is a different matter. One job means one job, not two jobs.

Tonight, I would be very happy if I had a family trust as I would have until 1999 to avoid taxes. Nothing to worry about. If I were the Royal Bank, I would be very happy, too. I would send you a dozen roses and we would sing together. The wealthy are rejoicing while the most disadvantaged are sad.

I would ask my colleague to really explain to these young university graduates and unemployed workers how and where this budget will help create jobs quickly, when we know that it takes \$200 million away from infrastructure programs?

[*English*]

Ms. Fry: Madam Speaker, I would like to respond first to the statement the hon. member made about health. Many studies have shown now that the health care system is appropriately funded but that the health care system needs to be managed more efficiently. That is what we should be looking at doing.

We do not need to continue to pour money into the system. The system can provide the best health care in the world that Canadians need if we manage it. It has not been managed on sound management principles. We have not looked at the outcomes of the things we do to see whether they make a difference to the health status of the population.