

Arsenals Limited, Bill C-99, with respect to the authority of the Government to borrow a record low amount of money to service economic objectives, and Bill C-91, the Bill with respect to the Competition Tribunal, for second reading. In the usual way, I would like to indicate that we will be monitoring the debate and after consultations with the Opposition House Leaders, and if there are any changes to be made, I will advise the House, but that will be my intention for the business of the House into Monday and Tuesday.

● (1510)

GOVERNMENT ORDERS

[English]

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. Speaker: The Hon. Member for Saskatoon East (Mr. Ravis) had the floor at one o'clock. Resuming debate.

Mr. Don Ravis (Saskatoon East): Mr. Speaker, I will try to make this last seven minutes of my remarks uncontroversial. I will talk about the deficit for a moment. This morning I focused on the reduction of the deficit and Government spending. I just want to spend a moment on the whole question of deficit reduction because there are people in the Opposition, the press and the business community who are asking if the deficit is really being reduced and if it can be reduced in the future. As I said earlier in my presentation, last year we targeted for a deficit of \$33.8 billion, sad as that may sound, but that was the state of the economy we inherited. I think the important thing is that what we targeted for we met. We achieved that target. What we are now forecasting is that the deficit will be at a level of \$22 billion by the year 1990-91.

There are people who will probably ask how we can really achieve that. I believe the important thing is that we are saying publicly that that is our target for 1990-91. It is probably a first in recent Canadian history that a Government has come right out and said: "This is what we are shooting for", and providing there are no unforeseen circumstances, I have every reason to believe that we will achieve that particular level of \$22 billion and that is just a matter of three or four years away.

With respect to the question of whether debt management is being done fairly, I believe there are some critics who are saying that the cuts have not been deep enough and others who are saying that taxes are too high. I would like to say as a Member of Parliament—and I guess all of us sitting in the House would agree—that on the day of the Budget it cost us all personally, in addition to the tax cuts, \$1,000.

Mr. Redway: Tax increases.

The Budget—Mr. Ravis

Mr. Ravis: In addition to the tax increases, as my seatmate reminds me, it cost each one of us \$1,000 in a salary cut. So, personally, I am saying, yes, I think we have gone far enough in terms of cuts.

I would like to refer to the Budget which indicated a 70 per cent deficit reduction, by commitment, to expenditures and a 30 per cent reduction coming from extra taxes. What that really boils down to is that for every tax dollar the Government will receive, it has cut \$3 in spending. That is another first in the history of the Canadian Government, I am sure. Cutting that deficit that severely is certainly a first. The Government is coming to grips with the excessive spending which had been going on.

Another key element is that the Government has shown not only leadership but, in particular, has shown by example its determination to come to grips with these problems. If there was one criticism we all heard during the election campaign, I am sure it was to the effect: "When will Ottawa start to demonstrate to the rest of the country that it is prepared to tighten its belt and share some of the burden?" If I heard that once, Mr. Speaker, I heard it 500 times at the door. Canadians were getting tired of not only high taxes but the lack of any example being set by Ottawa, and not just in Ottawa, but with respect to money spent by the federal Government right across the country.

In conclusion I would like to touch on a few points. First, I am proud and, as I said earlier, am more determined than ever, that the Budget is staying on course towards economic prosperity and employment for Canadians. Second, our new Government is putting a stop to the financial mismanagement which was threatening the future of our nation. This mismanagement was causing our country to become a laughing stock, not only domestically but internationally. The Nielsen task force, to which I alluded earlier, and the report of which will be revealed next Tuesday, March 11, and the regulatory reform to which the Government House Leader referred this morning, are just two examples of how the Government is prepared to come to grips with some of the mismanagement.

Our record of more efficient Government, I believe, speaks for itself. The accomplishments of the Government are only a beginning. There are people out there saying it is not enough. They want more jobs. That is understandable, but I believe we can be very proud of our record and I am satisfied and confident that there is a lot more to come. Certainly, the business community, which has created so many of those jobs feels the same way. Of the 580,000 new jobs, approximately 80 per cent were created by the private sector. I believe that is a reflection of the new confidence in the federal Government.

I believe another thing Canadians are happy with—I know I certainly am—is that the Government is being honest with Canadians. It is restoring the trust which the previous Government certainly lost. The game plan of November, 1984 is still the same game plan we are using today and which was in the Budget delivered last week. It takes a lot of courage, a lot of political will and a lot of example in leadership to come up with the kind of Budget which comes to grips with those