

*The Budget*

inflation was around 5 per cent, the government's real expenditures have dropped 2 per cent.

I doubt anyone could do better today, in these difficult times, with a budget that does not hit the disadvantaged or people on low incomes. I stand by what I just said. And I think that with our GST proposal we are doing something to protect those who are least advantaged, people earning less than \$30,000. I hear the leader of the NDP rushing to defend senior citizens. When I talk to my seniors, I tell them that this is the kind of tax reform no previous government had the guts to introduce, a reform that was recommended by many commissions in the past 40 years, and that we are going to implement this reform even if it is unpopular in the short term, and that they are protected. Popularity is not important in the short term. A real politician is interested in the long-term view.

By the way, I have some news that might interest you, Madam Speaker. In the latest issue of *Business Week* which is now on the newstands, we see that the Government of Ontario, which objected very strenuously to the Free Trade Agreement, is paying for a \$600,000 ad. It consists of 8 pages of advertising marked *Ontario*, with a photograph of the Premier who says how important it is for Americans to take advantage of free trade and come and invest in Canada.

[English]

"Under the free trade agreement, most goods move between Ontario and the U.S. without tariffs."

[Translation]

Here is what I think: the Liberals do not have the guts to risk losing popularity in the short term. You know, undertaking a tax reform never brings popularity. They will be the first, in two or three years, to recognize the validity of this tax reform and of the goods and services tax.

That amuses me, Madam Speaker. It was reported in the newspapers the other day that one of the leadership candidates, the hon. member for Lasalle—Émard, promises to scrap the GST if he becomes prime minister. And if you take the time to read the article, you will see this: "When we come into office in 1992, I will send the GST back to the drawing board", says Mr. Martin, and here comes the interesting part, and I quote: "if it has not already been integrated with the provincial system and if it is possible to abolish it." That kind of political courage

is hard to beat. Yesterday, the *Globe & Mail* could not do better than this:

[English]

"Confusion increasing over Liberal GST stand."

[Translation]

It is utter confusion. The Liberal leadership candidates are talking as if there were no deficit problem. They bluster about the environment, youth and so on and so forth, but when they are asked what their proposals are on this capital problem, zilch. Bury your head in the sand as much as you want, that will not make anybody forget these figures: each newborn Canadian is \$13 400 in the red. The interest charges on the debt accumulate at the rate of \$1,300 a second. I have now been on my feet for four minutes, Madam Speaker. The interest costs for those four minutes have been \$12 million. Such is in practical terms the problem we have to face. I think it is extraordinary—

**Mr. Robichaud:** The cost is much higher.

**Mr. DeBlois:** I very much appreciate the comments of the member across the way. I think it is extraordinary that the Minister of Finance has succeeded—personally I would have gone even further—in his belt-tightening approach and I think he acted with proper judgment. This year he is asking the provinces to make a special effort.

You will even notice the average rate of increase in provincial expenditures has been about 6.5 per cent for a number of years while those of the government to which I am proud to belong have been increasing at the rate of about 3 per cent over the past four years or so. Can you beat that?

• (1550)

In this regard, Madam Speaker, I believe we demonstrated responsible management. Along the same line I was using a moment ago, there is an editorial in the last issue of *Les Affaires* entitled: The poisoned legacy of the Trudeau team, signed by columnist Jean-Paul Gagné, which says: "The national debt which was \$321 billion on March 31st, 1989, will exceed \$350 billion on March 31st of next year. Out of the \$152 billion added to the debt since 1984, only 32 billion can be charged to the Mulroney-Wilson administration, but it is still too much. The balance, \$120 billion, comes from compounded interest on the debt left by the Trudeau team". It is important that people know that. We are stuck with this cancer, we are stuck with this poisoned legacy. We are trying, we are waging our political future on our will to improve public finance, and I hope that members opposite, whether