

I happen to be Vice-Chairman of the Standing Committee on Public Accounts. It is a non-partisan committee and we review many of the examples of mismanagement over the last five or ten years, many of which are still with us. One of the objectives of this Government, and I am sure it was an objective of the last Government, was to try harder to make the senior public servants manage smarter and much more efficiently.

What are some of the questions most commonly asked by Canadians today? This is very relevant to the Budget. First, they ask if they can trust the Government in what it is going to say and do. There is a lot of cynicism out there and there is good reason for it. Let me give you a couple of examples. The MacEachen Budget of 1981 forecast a deficit of about \$10.5 billion. It ended up being \$19 billion, more than \$8.5 billion over the projected amount. The Lalonde Budget of 1983-84 projected a deficit of \$29.6 billion. It ended up at \$33.5 billion, about \$4 billion over. Yes, it was getting better but it was still out of control.

Last week my friend, the Hon. Member for Gander-Twillingate (Mr. Baker), made an interesting point. He said that since the new Conservative Government came to Ottawa it created 23 per cent of the total deficit. A lot of the programs we inherited were statutory programs and they account for about 75 per cent to 80 per cent of this Government's expenditures. You can do nothing about those expenditures, they are fixed. However, if that is the way the Hon. Member wants to call it, I will gladly take responsibility, as I am sure this Government would, for the 23 per cent that we created, but they can be accountable for the other 77 per cent. Last year we said we were going to bring in a Budget with a deficit of \$33.8 billion. That is precisely what it came in at. This is the beginning of setting a plan and sticking to the course.

Will this new Government give the country some consideration and leadership, particularly in its management and spending? In other words, people are saying we have to show them how we are different from the previous Liberal Government. I would like to give some examples which I think point this out very well. In 1984 the Government established a blueprint to get its house in order. There were three main points: Making Government more efficient; encouraging private initiatives; restoring private confidence. The Budget brought down a few days ago is not something new. It is all part of the game plan developed in November, 1984 and followed up in May of 1985. There is consistency and it goes back to what we said we were going to do when we came here in 1984.

Let me give you some examples of what I think makes us different from the previous Government. First of all, we have the Nielsen task force which has been doing a lot of work with public and private sector individuals. As you know, we will be receiving a report next Tuesday. I, for one, am very anxious to see what it is going to tell us. I suspect we will see an awful lot of overlapping in those programs. As my colleague, the Government House Leader, mentioned this morning, there will be regulatory reform and, in many cases, less regulation. The

*The Budget—Mr. Ravis*

President of the Treasury Board (Mr. de Cotret) said that for the first time in the history of this country there would be incentives for senior public servants to manage prudently the taxpayers' dollars. A freeze on hiring and spending was announced a couple of weeks ago by the President of the Treasury Board. That will cut down on that last minute flood of spending which has been going on for years and years. There is a potential saving there of \$6 billion. I would say that even the previous Government would be doing the same thing if it had the chance. We have seen the biggest cut in Government spending in the last 20 years announced in this Budget. Believe me, that is a major difference between us and the previous Government. Borrowing requirements are down by 25 per cent. That means we are seeing an economic recovery and we do not need to borrow as much money. Finally, there will be reduction in the Public Service of 15,000 person-years by 1990. That will be achieved through attrition wherever possible.

Can the deficit be reduced, Mr. Speaker, and is it being done fairly? We have been consistent in our belief that the deficit needs to be reduced and we need to get Government spending under control. Believe me, it took three very important ingredients. One was a lot of courage. Another was a lot of political will which we certainly have not seen much of here for many, many years. Finally, it took a lot of leadership. This Government has come to grips with the financial crisis which has been developing for the last 10 or 12 years. As a person said to me on a plane the other day, it is just about time we faced up to these issues.

Some measures to control the deficit in addition to the ones I mentioned previously have to do with the disposal of Crown corporations. De Havilland is the best example. Then we have a cost recovery program. As well, we have to hold our operating budget to a growth of 2 per cent, which is less than inflation. Going back to my conversation on the plane the other day, this person made a very interesting point. He said one of the reasons we are enjoying the high standards we have today is the fact that our grandparents and parents did not hand down to us a horrendous debt. As another lady said on *Cross Country Check-up* this past Sunday, her daughter is expecting a baby sometime in May. She said the minute her grandchild is born it will have a debt of about \$8,200 hanging over its head. That was the thing she did not like and that is why she likes this particular Budget. It faces up to reality.

I see there are only a couple of minutes left before one o'clock. I would just like to say that for those people who are concerned about social programs, and certainly—

**The Acting Speaker (Mr. Paproski):** Before I call it one o'clock, may I say that the Hon. Member will have seven minutes plus question and comments when Orders of the Day are called.

It being one o'clock, I do now leave the chair until two o'clock later this day.

At 1 p.m. the House took recess.