

The Budget

the Gagliano plan, was aimed at cutting our expenditures by \$5 million annually.

The big challenge was to make these cuts while at the same time providing members and their staff with the tools they need to fulfil the mandate they were given by their electorate. However, times are changing, technology has become more sophisticated and, as a result, members as well as the general public must adapt their tools to changing needs.

For instance, the advent of fax machines and electronic transmission has completely changed our requirement for messengers on Parliament Hill. We sat down and methodically analysed our requirements. We suggested new approaches and implemented our recommendations carefully and diligently.

We helped our employees by proposing generous terms for voluntary departure, which a large number accepted. We redefined tasks and ask the rest of the staff to do their share, each employee being asked to do a little more with a little less.

This morning, the President of the Treasury Board reported on the results of this plan. So far, the House of Commons has saved no less than \$5,719,500, compared with last year's budget. We have not only achieved our objective, we have already exceeded it.

But there is more. This exercise continues, since yesterday, the Speaker announced a reduction of \$1 million in the budget of the Food Services Branch of the House of Commons. Implemented over a period of three years, this measure will help reduce the operational expenditures of the House of Commons by nearly \$7 million annually.

That is what I call results. Concrete results that clearly show we mean what we say when we want to put our house in order.

We are the first to tighten our belts, and we are not asking anyone to do anything we are not prepared to do ourselves.

• (1830)

The answer is simple, and everyone knows what it is. From one end of the country to the other, Canadians are staying within their budget by watching their spending every day. The time has come for all governments, including our own, to do the same.

The Minister of Finance has clearly stated our overall plan. For every dollar of additional revenue, the government will reduce its expenditures by \$7. This is an extremely bold new direction, the most cost effective seen in this country in the past 50 years.

To ensure the long term health of public finances, we must review the role and structure of government, without fail. We must centre the activities of government on the priorities of

Canadians. With this budget, we are reducing the size and structure of government to a level in keeping with our means.

As the Minister of Finance put it so well, and I quote: "Our view is straightforward. If government doesn't need to run something, it shouldn't. And, in the future, it won't".

The government is therefore going to privatize and commercialize its activities whenever possible and desirable. We will progressively divest ourselves of our interests in companies such as Cameco, a uranium company, CN, Petro-Canada, the Air Navigation System and the Canada Communication Group.

We will reduce our subsidies to business by 60 per cent—I repeat, 60 per cent—within three years. Assistance to industries which we shall maintain will be targeted to the main driving forces behind economic growth, namely expanding trade, science and technology and small business.

Almost every time I rise in this House, I remind my colleagues of the important role played by small business in our economy.

It is always with great pride that I point out that small business is the main source of new jobs in our country. Small business is ever-changing, full of vitality and creativity. It helps us recover more quickly from downturns in economic cycles and makes a major contribution to community development. It should therefore be a matter of priority to provide small business with concrete assistance to ensure its survival and growth. Better yet, we should eliminate obstacles to its success, because when it succeeds, we succeed.

Last year we announced our plan to review the \$500,000 capital gains cumulative tax exemption for farmers and small business owners. We have undertaken this review and have concluded that this exemption should be left intact.

I would like to go into a few details in this regard. Yesterday evening, the Leader of the Opposition tried to plant the seeds of fear and confusion in Quebec by criticizing the government for wishing to review certain issues which we must face in coming years.

True, the government does want to review and discuss with the provinces how to preserve our old age pension system, modernize our unemployment insurance system and maintain assistance programs for the poor.

The Leader of the Opposition said earlier that when governments undertake a review, it is always with cutting in mind. I say to my hon. colleague, this is not so. We must be careful not to make such generalizations. We must not plant the seeds of fear and confusion without any good reason. Reviewing means analyzing, examining. Consulting means looking for solutions.