

Government Orders

significantly, there was the centralization of research and development projects.

In terms of the dairy subsidy, obviously, given what is happening with the GATT and given the changes within supply management that are required, all dairy farmers realize that there will be changes and that within the next 20 years they will have to develop ways to compete internationally and not only within the Canadian market. This dairy subsidy reduction of 30 per cent is going to be a hit on dairy farmers. Certainly, dairy farmers will have to do their share in bringing down the deficit.

When I talk to the farmers in my riding, and in fact across Canada, most of them are willing to make that sacrifice to help reduce the debt and the deficit. However, they want to make sure that the sacrifice is also being made by other Canadians.

They speak particularly about social policy reform. They want to ensure that our social policy programs are doing what they need to be doing, that they are doing it efficiently, and that they are not just leaving a whole class of people relying on government handouts. They also talk in terms of trying to cut back on some of the spending we do in that area. I think if they see a firm commitment from the minister and the government, they will be more than willing to take a cut in what they are receiving.

• (1200)

We have seen somewhat of a hiatus there. The minister has indicated we will probably come back sometime in the fall when some of the necessary changes will be made.

I had a very big meeting in my riding with a number of concerned people on the whole question of social policy reform. I received a lot of good ideas. I am sure many members on all sides of the House also held these forums. I know my colleague across the way always likes to hold these open public forums. They are a good thing for members of Parliament to do because they give us an opportunity to hear from our constituents on very important subjects with a wide range of diverse ideas.

A lot of dairy farmers who were in attendance were telling me they understood what the government did. They were not particularly happy that it came out of their pockets but they were prepared to take it as long as they saw the government making firm commitments in other areas.

The Reform Party throughout our earlier discussions on the WGTA gave us an indication it wanted us to scrap it. We wanted to make sure, given some of our GATT commitments, there was adjustment available for those farmers and that the system would still work.

I have a number of concerns in that area as chair of the standing committee on agriculture. We got together with all parties. We decided there should be a subcommittee on transportation to look at these issues. Farmers in western Canada and

people who rely on the St. Lawrence seaway have a number of concerns. Hopefully the members of Parliament on the subcommittee, chaired by the hon. member for Malpeque, will be able to do something in that area to make sure the concerns of these farmers are taken into consideration and that the minister of agriculture and the Prime Minister hear first hand some of these concerns.

The \$1.6 billion payment, essentially a payment over a two or three-year period, is an adjustment period. The farmers I have been talking to are not very happy it is coming out of their area but they are prepared, as are farmers in other parts of the country and all Canadians, to do their share in terms of bringing down the debt and deficit.

That theme was pretty much what I heard in my riding of Haldimand—Norfolk after I went back after the budget and talked to my constituents. Normally after a budget, even as an opposition member, one should receive about 20 or 30 calls. After this budget I received three calls from constituents. I felt this was an acceptance of the fairness of the budget.

After the budget, as I went around to the different events in my riding I began to learn people accepted the budget, grudgingly granted, but they understood the need to deal with the debt and deficit and the need for cuts. They were prepared to go along with it as long as they felt there was to be more and there was a commitment of fiscal responsibility by the government.

I have talked to the Minister of Finance in caucus and know the commitment is there. We have to deal with the fact that 43 per cent or 44 per cent of our debt is controlled outside of the country and our current account deficit is a problem.

The Minister of Finance indicated he will take the tough steps necessary to deal with that problem. It is a problem for all Canadians. It is a problem for my children and children all across the country. It is something they do not look forward to. We will deal with that problem. We will deal with the question of fairness not only in future budgetary expenditures in terms of the country but also in agriculture as we move along with the co-operation of the opposition and the third party to help Canadian farmers in the future deal with the uncertainties of the new reality in world economic trade.

• (1205)

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, as we are all aware, on February 27 the finance minister brought down his second budget. That document showed how spending is to be reduced by \$4 billion, taxes are up by \$1.5 billion and the annual projected deficit will be only \$32.7 billion; that is, \$32 billion deeper in debt.

The document did not show how the government will spend \$50 billion to service the debt this year and how our overall debt will climb by more than \$100 billion over the term of the Liberal government. Think of it. We are spending \$50 billion to service