

Government Orders

I also met farmers who have herds of 30 to 35 dairy cows. They told me that the situation in the region did not make any sense. The Liberal member who accompanied me has a herd of 225 milk cows, which is not quite the same. For farmers, the budget means a loss of \$5,000 over two years, or \$2,500 per year, or 15 per cent for two years.

I also met unemployed people. A former Liberal member, Mr. Bona Arsenault, once said that people were lazy. Let me tell you that people in my region are not lazy. They are energetic. They want to work. Given the opportunity to do so, they will work as hard as anyone. The unemployed are very worried.

Why is it that, by contrast, some business people do not seem very concerned. The hon. member referred to banks. The government will get \$100 million from the banks.

The Acting Speaker (Mr. Kilger): Order. I apologize for interrupting the hon. member for Matapédia—Matane. I simply want to remind him that the period for questions and comments only allows five minutes. Unless he is just making a comment, the hon. member should put his question if he wants a reply.

Mr. Canuel: Mr. Speaker, I will ask a very simple question. Why is it that the budget did not bother the multinationals too much. From what I have heard, the banks are not overly concerned by that budget. It is not the rich who are worried about it, but the poor.

Mrs. Catterall: Mr. Speaker, I can tell the hon. member that, in my own riding, five minutes from where I live, many residents have the same concerns. Consequently, I can certainly relate to what the member is saying.

It is for these people that we have to review and redirect our programs. We have to make sure that there is a future for these people, for women who have a very low income and who want to provide a future for their children, for young people who may have quit school five or six years ago and now want to get some training.

• (1050)

It is precisely for these people that we must have a strong economy which, I hope, we will better control, so that we can provide the training programs and the job creation initiatives which will give them a good future.

[*English*]

The Acting Speaker (Mr. Kilger): Again I clarify for the House that the member for Ottawa West indicated she was splitting her time with a colleague. That is why I made sure the question and comment period was for a duration of five minutes.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I am pleased to have the opportunity to discuss the budget of the finance minister for 1995-96.

The budget was about keeping promises: the promise contained in the red book to reduce the federal deficit to 3 per cent of GDP by 1996-97, the promise made by Liberal governments past and present to preserve a sustainable social safety net that provides for those who are most in need, and the promise to ensure that all Canadians in all regions share equally in the necessary burden of reducing the deficit.

Through a combination of spending cuts and revenue increases the finance minister reduced the deficit for 1995-96 to \$32.7 billion. This is the second year in a row the deficit has been reduced. I am proud to be a member of a government that backs up its talk on deficit reduction with action. Unlike the previous Tory government and some members of the third party, the finance minister realizes there is a purpose to deficit reduction and that deficit reduction is not an end in itself.

As a result of the huge debt that has been run up by the last government, Canadians last year saw roughly 33 cents of every taxation dollar go toward paying interest on the debt. This meant less money available for services that Canadians deserve and respect.

The large debt also creates a climate of instability which discourages business investment and job growth. The purpose therefore of deficit reduction is to guarantee Canadians an environment for sustained growth and job creation both now and into the future.

The government understands and respects its obligations to Canadians to stop the practice of borrowing from future generations to finance the spending habits of today. Therefore it is not with enthusiasm that the government set about reducing spending but rather out of necessity.

Canadians from coast to coast to coast understand this point. In fact a recent poll confirmed it: 69 per cent of Canadians said they approved of finance minister's budget, even though a large number of those who approved of the budget expected to be somewhat worse off under it.

I refer to some of the remarks made by my colleague from Ottawa West. She said that some of her constituents spoke to her about their concerns under the budget but were willing to accept the cuts and to live with the budget.

Not only is the budget remarkable for the progress it makes toward the goal of reducing the deficit. It is commendable for the way in which it achieves deficit reduction. Reduction in the deficit was achieved largely through expenditure cuts.

For the second year in a row the government did not increase personal income tax rates. I congratulate the minister on his willingness to listen to Canadians and to refuse to take the easy way out by raising taxes. While personal tax rate increases may have been easy they would not have been equitable.