

*The Budget*

We have put caps on some programs, not all, and in particular in those provinces which are in the strongest fiscal position to take it, in order that we can achieve some kind of balance.

• (1540)

I think that is very important. A lot has been made of the fact that there are no additional taxes in this budget, but I would say it is almost as important in terms of the future that some kind of balance is being attempted.

Over-all, this is a budget that is as much for the future as it is for the present. I have heard virtually no acknowledgement of that from the opposite side of the House. They have spent their time attacking the budget for doing the very kinds of things that are important to our future. I think our future is important, as I said, not only for economic reasons, but obviously for environmental ones.

I referred to the importance of the environmental legacy. We will have major responsibilities on our plate for the next 10 years in the environmental area. We will in no way be able to meet them unless we get our fiscal house in order and that, I believe, is the priority in this budget.

**The Acting Speaker (Mrs. Champagne):** Questions and comments? Resuming debate. The hon. member for Montmorency—Orléans.

[*Translation*]

**Mr. Charles DeBlois (Montmorency—Orléans):** Madam Speaker, at the outset of my brief remark I would certainly like to pay tribute to the Minister of Finance who for a number of months has been defending day after day with competence and authority, this government's monetary policy. Day in and day out, during each oral question period, the Minister of Finance in his calm and competent way has been defending the political will that is at the core of this government's action, the will to stabilize government finance.

In that respect, I am very pleased to praise the performance of the Minister of Finance who last Monday, during a coast-to-coast TV debate in Edmonton, literally thrashed the Liberal finance critic.

Let me simply quote from the numerous observers who chose the Minister of Finance as the winner, as for instance Mr. Mark Lisac from the *Edmonton Journal* who

said: "Next time the Edmonton Chamber of Commerce invites the Minister of Finance they should choose as an opponent someone of his intellectual calibre, or of a comparable intellectual level."

Madam Speaker, I am pleased to rise on this sixth and last budget day to say how much I personally endorse and will vote for this government's fiscal policy.

What I find most interesting, although little known to the Canadian public, is that for a fourth consecutive year, this government I am proud to be part of will record a surplus on its operating budget. It is very often forgotten that, obsessed by the national debt, in the day-to-day government operations, if we add up revenues and expenditures, this Conservative Government, contrary to the previous Liberal governments, has been recording a surplus for some years. The surplus for this year is \$9 billion and for fiscal 1990-91, it will be \$12 billion.

But, and therein lies the problem, we were left with a poisoned legacy, a legacy that the opposition across the aisle and especially the Official Opposition—either through bad faith, blindness or absent mindedness chose to ignore, namely heavy debt we have inherited and which has doubled in a matter of six years. I am not afraid to acknowledge that. But 80 per cent of that twofold increase are due to compound interests on the debt—they are not of our making. And in that respect, it is interesting to note the comments—As you know, I am a former newspaperman, Madam Speaker, and it is interesting in that respect to quote from people who are not on the Conservative Party payroll. I am thinking in particular of Claude Piché, of *La Presse*, who is commending the Conservative Government for their efforts in stabilizing public finance. This is what he has to say: "We may lament on the current financial situation, especially the debt, but the only thing we can blame the Conservatives for is the promise they made when they were in opposition to tackle the debt cancer. They did not succeed but—and this is important—nobody can say they did not try. And on this point, he said that the debt was the fault of the Liberal government, which between 1970 and 1984 increased spending at an average annual rate of 14 to 17 per cent, while the latest Budget brought down by the Minister of Finance provides for a spending increase of only 3 per cent. This means a net drop in spending, if we account for inflation. If we consider that