

*The Budget*

There was clear support among participants that spending cuts were inevitable. They asked us to take a good look at our existing programs and the funding mechanisms for them.

In other areas there was no consensus reached. These are complex issues and Canadians are thinking hard about them. The budget addressed my constituents' concerns.

There are some false perceptions out there and perhaps they serve some people's purposes. There is a false perception Canadians are excessively burdened by taxes compared with citizens of other countries. This is wrong.

• (1350)

The hon. member for Beaver River is on record as saying we are among the highest taxed people in the world. This is wrong. Canadian taxes as a percentage of economic activity fall below the average for the 24 industrialized nations of the OECD. However, that kind of statement does not take into account the services Canadians get in return for their hard earned tax dollars.

We must deliver value for money. One great example is our entire medicare program. Even so, Canadians and Burlington residents agreed personal income tax rates should not be raised. The government listened and there were no tax increases.

We are achieving our goals for deficit and debt reduction, but not on the backs of individual Canadians. Our solutions are focused. They are good, efficient government instead of increased taxation.

Canadians recognized difficult decisions had to be made while at the same time it was critical we make strategic investments, that we be smart about where we are going to spend money for the future and to balance our budget.

The Reform Party is quoted in the *Calgary Herald*, February 7: "Reform for its part would rapidly slash government spending as to create a fiscal balance while creating a huge social deficit in the form of greater unemployment and social polarization". This is not the Canada we want.

Our approach is to cut in a fair manner, to lead by example by looking at where to cut in government first. By reducing government spending and undertaking a full program review we have taken the responsible approach. The budget has a 7:1 ratio of spending cuts to revenue increases. These steps will lead the country into a brighter economic future. We are redefining the role of government.

In the area of unemployment Burlington residents are concerned about their neighbours, both in our community and in the broader Canadian context. People must get back to work. The budget continues with our Liberal four-point agenda for jobs and growth. New programs are being developed to ensure people

acquire more skills, the youth internship program, the youth service corps. We must address youth unemployment particularly and the school to work transition. We must invest in our future generations now.

Burlington residents suggested the best way to improve job creation is to implement apprenticeship programs, keep pace with innovation and with changes in technology, encourage education and training, encourage free enterprise, eliminate bureaucratic paper work, especially for small businesses. The budget is connected to all our initiatives as a government and to our policies like the social security review.

The area of technology is important. We must be innovative. We must be ready for the future. We must spend wisely and work within our fiscal means. R and D is encouraged through the research and experimental tax incentive, one of the most generous tax incentives in the world. However, it is important it is not abused, and so we have moved to change that.

In the area of small business we must continue to invest in people and in growth. The 1994 budget undertook a small business policy review, realizing entrepreneurs are responsible for creating the majority of new jobs in Canada and for moving our economy forward. With consultation and the release of the report "Building a More Innovative Economy" we have received input from Canadians about how to proceed. The challenge of access to capital remains.

The 1995 budget encourages banks to do a better job of lending to small businesses by encouraging government to work with the banks to develop appropriate benchmarks. These must be achieved.

In my riding of Burlington our local economy is vital and continues to grow. We have many diverse, successful small and medium size businesses such as Colette's Café and Toshiba Office Product Centre, employing a small number of people but growing.

There are many more people, young and old, experienced and inexperienced, who have excellent ideas, great initiative and full support from their friends and families. All they need is financial backing. These are the people who are creating jobs in Canada. These are the people whose entrepreneurial spirit we must foster. They are creating the environment and the jobs for future generations. The government is committed to ensuring they do that.

We are committed to ensuring Burlington and all Canadian businesses are able to succeed, to grow and to add to their employee base. We have fine examples like the companies that started small, Zenon Environmental, Gennum, Thompson-Gordon and Laidlaw. They are leaders in the world in their own fields.