

Government Orders

Over the longer term and in the more distant future we are urging that future budgets retain a cash component so these principles can be observed.

I started off by saying our national debt is a crisis we could not ignore. Past governments have overspent. It is not for us, I believe, a fruitful course to say—

[Translation]

“It was the Liberals, it was the Conservatives, or because of the NDP’s support”. It is up to us, to all Canadians, all Members of Parliament from all parties to deal with crises and to do better to build a better future.

We have begun our all out battle against the deficit. We must do it fairly, humbly and with the knowledge that by doing something about it today, we can build a stronger and more prosperous Canada for our children and our children’s children. Such is our duty, and we will do our duty.

[English]

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I was very appreciative of the comments the member made referring to the Canada Health Act and other social programs like that. He said, and I agree with him, if anybody thinks we can cut the deficit without cutting in this area they are wrong. I am being quite serious, not sarcastic. I hope he and other people who are responsible in the Liberal caucus get that message through to certain backbenchers like the member for Halifax or Beeches—Woodbine.

I wonder if the member would agree that in the case of the Public Utilities Income Tax Transfer Act and the doing away with the PUITTA grant, that very specifically was a tax increase.

The second question is with respect to the downsizing of the civil service. The member will recall that in committee I was trying to draw the minister out about the reverse of the hiring quotas or numerical targets. Does the member understand there will be absolutely no attempt on the part of the Liberal government to achieve its numerical targets under employment equity when it is laying people off by using that process selectively to simply do a reverse hiring procedure on the way it is planning on doing the hiring procedure to gain its balances?

• (1630)

Mr. Peterson: Madam Speaker, with respect to the public service, we will not do away with the public service act or the protection which any public servant has through the Public Service Commission and the rules regarding employment equity. If the hon. member thinks we are, he is wrong.

The beauty of the way we are going about the layoff is that it is being undertaken in consultation and in co-operation with the public sector unions as well as with management in Treasury

Board and the various departments. That is why we have something which can work and which will achieve the level of substitution on a voluntary basis that we were hoping for.

In terms of PUITTA, members will understand that in the last budget year we spent \$249 million reimbursing public utilities which had been privatized and which were in the provinces. We were reimbursing them for the income tax we collected.

How did they get into the private sector in the provinces anyway? They were privatized originally by the provincial governments in order to make them more efficient and in order to create capital funds for deficit reduction for the provinces. Now they are working in the private sector. They were a function and a creation of the provincial governments.

These utilities and the provincial governments were insisting that we continue to give them \$249 million a year. Were the provinces prepared to rebate the corporate taxes collected by the provinces to these utilities? Not one was, even though they were creations of the provincial governments. If the provincial governments are not prepared to rebate the corporate taxes to them, why should the federal government? It is a real anomaly.

[Translation]

Mr. Benoît Sauvageau (Terrebonne, BQ): Madam Speaker, I would like to take the floor to briefly thank my Liberal colleague for so respectfully listening to all of our speeches. I would like to make a few comments before asking him my question.

As he said at the beginning of his speech, he shed some crocodile tears because of the abolition of 45,000 public service positions in Ottawa and across Canada. I have half a mind to ask him where the Liberals boasted about cutting 45,000 positions in the red book they talked so much about during the election campaign. Since everybody already knows the answer to that question, I will not ask it.

However, I would like to say that public servants probably have more reason to fear a Liberal federalist government in Ottawa than to fear the sovereignists who promise that they will be integrated into the Quebec public service—a promise that will be kept—in their draft bill. These public servants have much more to fear, and we now hold the proof—45,000 jobs cut—from the other side of the House, because that is where the cuts are coming from, and not from our side.

I would also like to mention something that my colleague did not deem worth repeating in his speech. The cuts for the next two years will be in the order of \$7 billion, I repeat \$7 billion. If we, on this side of the House, are mistaken, if this is not truly what is written in the Martin budget, perhaps they could give us proof and give us other figures than those that the Minister of Finance already gave us.