

The Budget

other words there would be no joint jurisdiction between Quebec and Canada?

Second, if, as I believe is going to happen, Quebec people choose what is best for them and do stay in Canada, would Quebec and the provinces not be better off if they had the ability to raise the taxes? In other words, the federal government transfers the ability to tax the tax points to the provinces. If they were administering the programs, is that not really the fundamental problem that the BQ and the PQ are presently trying to do, to get more jurisdiction over the areas of health, welfare and post-secondary education?

[Translation]

Mrs. Lalonde: Madam Speaker, if I understood well the question of the hon. member, he is wondering if we are not asking in fact for a transfer of tax points. That was the position we adopted and the minority report of the Committee on Human Resources Development refers to a transfer of tax points.

However, it is important to make a point about standards. In all regions of Canada where the members of the Committee have travelled, it was clear that everywhere, except in Quebec, people want strong national standards. As far as they are concerned, Quebecers want, with a few exceptions, to have their own standards.

• (1820)

Quebecers are a people, even though they do not always call themselves that way et they want to make their own standards. Often, those standards are higher than elsewhere for reasons I will not explain here, but it is nevertheless a fact. It is true for daycare services, it is true in the case of the Act on handicapped people, and I could go on.

But being a distinct people with regional differences, it is normal that Quebec wants to create its own standards. This is what I had to say on that issue. From a philosophical point of view, the economic or social organization is different from one people to another. You only have to study peoples as a whole or even peoples having a comparable level of social expenses to see that choices are different according to peoples, their history, their priorities or simply because they are different from one another.

It is therefore on that basis, without explaining it with rational arguments, that one can understand and defend the idea that the people of Quebec wants its own standards.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I must say that yesterday, I listened to the finance minister's speech with interest. I was expecting answers to the many questions put to me in recent months and weeks by the people of Saint-Léonard.

Indeed, all the people I met with and spoke to on the phone gave me much the same advice: "Make up your mind, do something, it is time to take action". They told me: "Put your fiscal house in order, we are on the road to ruin". They said: "Downsize the government, it is too expensive". And above all, they begged me not to raise taxes. They also said not to touch seniors. They said they wanted to continue to invest in their RRSPs because they needed them. They told me to cut subsidies to businesses, to support small and medium size businesses and to tax big corporations and banks.

The electorate in Saint-Léonard is realistic. People there are reasonable and pragmatic. They know that our future depends on the choices we are making now, in the budget the Minister of Finance tabled yesterday afternoon. They know that we must take the bull by the horns and learn to live according to our means. But above all, they know that without a drastic about-face this year, our standard of living and our future chances at prosperity are in danger.

Right at the beginning of his speech, the minister said: "Today, we have made our choice. Today, we take action". Yes, indeed. Our government chose to take the most drastic budgetary measures ever seen in 50 years to control this monster that our deficit has become. The federal government will tighten its belt and cut expenditures—all expenditures at all levels.

However, we will do so in the greatest respect of the values that Canadians hold so dear. We will promote job creation and economic recovery. We will protect the most vulnerable in our society. We will cut down on our life-style. And we will do all this without raising taxes, without cutting the old age pension and without taxing retirement savings plans.

• (1825)

Today, in Saint-Léonard as in everywhere else across the country, Canadians applaud the Minister of Finance. He had the guts to do what others had promised to do for almost ten years. For too long, we have only had smoke screens. Canadians want results, solid and measurable results, and we already have some.

Last year, we promised in our first budget to reduce the deficit to under \$40 billion. Once all calculations are done, our bottom line should show that our basic deficit is some \$4.4 billion less than expected. Now those are tangible results. This is something new and exciting. For ten years, there were promises to reduce the deficit, but it never happened. And now we managed to make it happen, and we did even better than we expected.

It has been a long time since anyone saw a government overestimate its deficit. The results have been very encouraging as well, here in the House of Commons. As you know, Madam Speaker, a year ago the Board of Internal Economy adopted a plan to restructure the expenditures of the House of Commons. This plan, referred to by some—rather ironically, I suppose—as