bow was that 3 per cent of GDP is too low a target and there is no plan to get to zero. The budget has failed on both counts.

For anybody on the other side to assume that the markets have bought this budget, the verdict is not yet in. Moody's has not changed its position. The verdict is still pending on whether the budget was successful in convincing the money markets that Canada is a good place to invest.

We shoot the messenger who is giving us good advice: "You are in trouble. Get your books in balance or we are not going to buy your bonds". As I say, we are still waiting for the background on that.

There was nothing in this budget for small business. My background is in small business. That 1.5 cent increase in gasoline tax is to raise $500 million a year.

In my riding a number of people commute to Toronto. They will have $250 per year in additional costs just to drive to their business. It is also going to increase the cost of doing business for example for those who use gas in delivery services.

It is going to take about $3 million out of the economy of my riding. There goes the new stove, the education and the new car. It really was not necessary and it is not productive to creating the employment we need. There was no justification for any tax increase.

We are indeed living in the greatest country in the world, but we are doing it on borrowed dollars and time is running out.

I see we are making an attempt to get Canadians to invest in Canada by buying bonds and keeping the money in Canada. The answer to getting Canadians to invest in this country is for the government to show some responsibility that it understands the magnitude of the problem and it is going to cut its spending. Canadians will then stop sending their money out of the country and will spend and invest it right here.

Canada is in a battle for its survival, make no mistake about it. I visited Dieppe just a year ago. It was a very moving experience to see the men who had the courage to go over there and give their lives. I am suggesting that it is going to take courage right now to tackle the very serious problem of overspending.

I hear words about compassion, generosity and fairness. What about responsibility, accountability and fairness to the taxpayers who have been carrying the burden all these years? The Canadian taxpayers are demanding some responsibility, accountability and fairness. We owe it to them and we owe it to future generations.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I found it interesting that the member would spend so much time during his speech defending the Brian Mulroney government saying that somehow the Liberal Party frustrated the prior government for nine years. He is nodding his head now, but I should remind him that the government of Brian Mulroney, which was turfed out, had a majority in both terms and had full control of its actions. We cannot pass on that blame. The member is just making rhetoric. In fact the prior Conservative government got exactly what it deserved.

• (1725)

I listened with interest to the medical analogy the member used when he talked about cuts, that we have only had scrapes and not deep cuts. The member tried to somehow imply there was a tax increase in this budget when he well knows there were $7 of cuts for every $1 of increased revenue and there were no increases in personal income tax. It was pure fabrication.

I want to ask the member a question with regard to his strategy and the response that his own leader gave to this House. His leader stood in this House and attacked the government for cuts to social programs. Yet this member is saying that we should have more cuts than what has been proposed by our government. How does this member square his position with the position of his own leader?

Mr. Harper (Simcoe Centre): Mr. Speaker, I am very pleased to respond to the questions from the hon. member.

I will deal first with the fact that the Liberals spent eight years in opposition and they could not do anything about the fact that the debt and deficit were increasing. I suggest to the member that they did nothing but encourage the deficit and debt to increase. They did not understand the magnitude of the problem then; they do not understand the magnitude of the problem now. Nothing has changed.

The Conservative government was turfed out for not listening. I would suggest that three years down the road this government will be turfed out because it is still not listening to the Canadian people.

Cuts of $7 for every $1 in increased revenue. There is no justification for any revenue increase. There is more than enough to balance the books in cuts. When there has been overspending for 20 years we cannot keep saying that we need more dollars, but a strong case can be made for saying: "Yes, we have been going into your pockets deeper and deeper; we are going to start pulling back now". Now is the time. If the Liberals have missed that message, they will go the same way the Conservatives did in just a few years.

My leader has never said that social programs should not be touched. The books cannot be balanced without touching the social programs. That is the reality of the amount of money we spend in that area. The word is that they have been responsible for the problem. They have not been responsible for the problem. However, there have to be cuts in there. The books absolutely cannot be balanced without doing it.