

*The Budget*

If transfers to the provinces are cut, and this is my question for the member for St. Boniface, how could it not affect the least fortunate, the poorest members of society? Back home, farmers are going to suffer a great deal. The 15 per cent cut this year added to the 15 per cent cut next year is going to hurt them tremendously. Some of them told me this morning that they could hardly manage as it was, and that with these new cuts, it was going to be hell. How can you claim that this is not like venom?

**Mr. Duhamel:** Mr. Speaker, I wish to thank the hon. member for his question. Of course, the budget will hurt some Canadians. Let me repeat that this budget is tough, but fair. I do not think that it is harder on any particular group.

There is another consideration. If I am wrong, what can we do collectively to try and counteract this? Now that a decision has been made, what can we do? Asking the reasons for a delay serves no purpose. We all know that, often, consultations must be held. We cannot simply say: "There, it is done." In other cases, time must be given to adjust to new measures. This is, in my opinion, a reasonable approach.

[English]

**The Acting Speaker (Mr. Kilger):** Before the hon. member begins, in the last intervention we heard from the parliamentary secretary. He referred to the hon. member for Lethbridge by his name. Of course we know that is not a practice which is customary. However, I know full well that when I am in the chair and he refers to Mr. Speaker he is not speaking to himself.

**Mr. Ray Speaker (Lethbridge, Ref.):** Mr. Speaker, in my former life as a member of the Alberta legislature I ran into the same sort of circumstance. I appreciate being recognized in the House and having the opportunity to enter the budget debate today.

Yesterday I listened very carefully and considered what the Minister of Finance presented as the government's plan for Canadians. We heard in the last election about the plan that was going to change everything for Canadians and fix all the problems. During that campaign we were presented with the red book that supposedly had all the answers to all the questions. The problem is that red book is now out of date and does not answer the questions. The red book principles were applied to the budget plan that was presented to us yesterday. It is not good enough for Canadians.

Why is it not good enough? First, if I had to define the budget and describe it, I would say that it is a budget without any conclusion, without any direction and without any real resolution of the major problem that Canadians are facing, a major problem that is only being enhanced and encouraged by the government.

• (1330)

When I say that there is no conclusion, I think of the Minister of Finance in his former responsibility in his private life where he had a fleet of boats on the Great Lakes. The hon. member would never have put a boat on the lake and said: "It sits there. I do not know where it is going and I have no conclusion as to the destiny of that boat". He would not do that. Nor would anybody tell a story without having a conclusion to that story so that we understood where the story was leading us as it was being told to us. This budget does not have its conclusion.

What was the conclusion that we were waiting for as Canadians? I heard it through the media. The member for St. Boniface has said to us as he quoted a number of articles about the budget that people were responding in a certain way.

In the last week to 10 days Canadians, people in the investment community and the media had one question that was paramount in their minds: when will the deficit be eliminated? When will that deficit come to zero?

The answer to that question was not in this budget. That has had a devastating effect in my mind on the confidence of Canadians investing in this country. We do not know where interest rates are going to go, what the value of the dollar will be. We do not know the type of revenue growth that we are going to have because there is a lack of confidence. This government did not have the will nor the courage to put its administration on the line and set up a plan that would reach a proper conclusion, one that must be dealt with in this country.

What did we get out of that budget? As I said a few moments ago as I raised a question in this House, we are left with \$100 billion of added debt to the current debt in this country.

In three years of administration of this government by the time we get to 1996-97, \$100 billion will be added to the debt. Interest payments from 1994-95 to 1995-96 have gone from \$42 billion up to \$49.7 billion, over \$6 billion in one year of additional cost in terms of our interest.

The following year, in 1996-97, are those interest costs going down? No, they are not. They will be \$50.7 billion. We can imagine what that does to the budget, how that affects social programs, how that affects other priorities, how that is going to affect this government in its decision making in terms of expenditure reduction, of reducing the services of the federal government to the Canadian people.

The interest cost is out of hand and is going to continue because there is no plan, there is no conclusion in this budget. What happens after 1996-97? That is a serious question. This government does not know what is going to happen.