

Because we are fortunate in my own riding to have Canada's largest military establishment, CFB Galetown, our citizens can easily understand the frustration and discouragement which must surely exist at Summerside, Portage la Prairie and those 14 other areas where bases will be reduced or closed. Although there will undoubtedly be effects as a result of these cuts on the Galetown base, both favourable and unfavourable, we do know how fortunate we are to remain a high priority in the military plan and in the Budget. While we take some relief from that knowledge, I say sincerely that along with other Hon. Members, I am sure, I express compassion and understanding for those at other locations who now face major changes and adjustments in their lives. We must strive to help them in every possible way.

Those subjects upon which I have touched briefly do reflect financial responsibility, government determination and political courage. The main thrust of this Budget in a five-year fiscal plan is to demonstrate to Canadians and to the world that this Government is financially responsible. Its direction is to continue the headings which were started in 1984 and to eventually stop the annual growth of deficit and debt and to start to pay them down. This Budget is another milestone in the challenging economic mission of our Government and our country, a mission of financial responsibility toward a balanced budget and beyond.

Mr. Milliken: Mr. Speaker, the Hon. Member in his speech spoke about VIA Rail and the effects of the recent cuts. I do not agree with the comments he made and I would invite him to express perhaps some corrections in his answer to my comments and questions on his speech.

Mr. Speaker, he will recall that in the 1984 election, the Party which he now supports in this House made certain promises. He will recall that the previous Liberal administration had proposed certain cuts in VIA Rail. In fact, the cuts had gone into place and the front bench members of the Conservative Government advocated the reinstatement of all those cut railway lines. In fact, they proceeded with that reinstatement at some cost to VIA, a cost that is obviously reflected in the increased operating grants that are made by the Government to VIA. The Government promised that, in addition to reinstating all those cuts, it would turn VIA into a

national rail service of which we could be proud. But in the present Budget, the Government is reneging on that promise.

It is cutting VIA's subsidy substantially over the next few years. Obviously there are going to be cuts in service. Obviously it cannot pay its own way. No other railway in the world, that we know of, is paying its own way. Yet the Government is saying to VIA, "You do it". In this huge country, with huge spaces between our cities and where transportation is a major expense, it is saying VIA will have to pay its own way. I ask the Hon. Member, does he not think that the suggestion that VIA pay its own way is absolute nonsense? Does he also not think it is simply disgraceful that the Government in the course of the 1984 election campaign, the same group that is still here, was saying that it wanted to turn this into a national service of which we could be proud? Yet now it is trying to reduce, cut and slash the service and close it down.

Mr. Bird: Mr. Speaker, in response to the Hon. Member, the Government position was clear back in 1984 and 1985 when it presented a renewed opportunity to VIA Rail to demonstrate its viability. I believe the phrase, "Use it or lose it", was clearly conveyed and expressed to the citizens of this country with respect to VIA Rail. I tend to share the view that a passenger rail service is almost like a constitutional right. It is hard to imagine this country without such a service, but we are now facing priorities of a much higher order. We are literally talking about the fiscal solvency of our country. What has emerged since those days in 1984 is, first, as I said in my remarks, the compounding almost incestuous growth of the debt resulting from the cancerous deficit process that was established by the Liberal Government back in the early 1970s and 1980s.

Also, the rise of interest rates in the past 12 months of almost 30 per cent would alone cause any government that is financially responsible for the over-all good of the country to face the difficult assessment of services such as VIA Rail and to come to the conclusion that after eight years of decreasing transportation utilization by 20 per cent, now representing less than 5 per cent, or even just 3 per cent of the transportation market, that some reassessment is needed. This is simply the kind of arithmetic that no family nor any company in Canada could tolerate, and the Government had to face that and