

### *Government Orders*

With respect to occupational training, the federal and Quebec governments spend roughly \$1 billion annually in Quebec alone. Despite this fact, the occupational training needs of Quebecers are still not being properly addressed.

We have seen that in this particular area, overlapping jurisdictions swallow 60 per cent of the total amount allocated, that is 60 per cent of \$1 billion, or \$600 million. This money is used to deal with administrative problems, which leaves a mere 40 per cent for real occupational training. This is completely outrageous.

In spite of the promises in the white paper, we are now being told to wait two years for a review of these problems. This is unacceptable.

**Mr. Laurin:** Mr. Speaker, I totally agree with my colleague's remarks. More examples could have been given. Mention was made of the inept management of the public service. We could also have mentioned public service renewal, a process that is two years behind schedule. In his report, the Auditor General noted that the public service is absolutely indispensable to the operation of government. He also said, however, that the public service does not have the necessary tools to ensure effective management or the necessary controls to fulfil its obligations to the public.

We could have given you many more examples, but since time is limited, we have to be content with underscoring the principal areas highlighted by the Auditor General. Follow-up action must be taken as soon as possible and the necessary changes must be carried out in order to ensure the sound operation of the House of Commons.

[English]

**Mr. Paul Szabo (Mississauga South):** Mr. Speaker, on the occasion of my first speech to the House of Commons in the 35th Parliament of Canada let me first express my sincere gratitude to the residents of my riding of Mississauga South. I am honoured to represent their interests in Ottawa and to serve their needs.

I also wish to thank my wife Linda, and my children Aaron, Reagan and Whitney. All members of Parliament know the great personal sacrifice that our families have made so that we can pursue our goals. In this, the International Year of the Family, we say to you: "We miss you, we love you and we thank you".

We also thank the Prime Minister for his vote of confidence and the historic decision to allow all members to speak freely and openly on important issues such as this pre-budget debate.

Canadians are well aware of the complex and troubling problems we face today such as chronic deficits, high unemployment, poor economic performance and the lack of credibility of government.

• (1525)

In 20 years of corporate life and as a chartered accountant I learned quickly that for every complex problem there is a simple solution, and it is wrong. To focus solely on deficit reduction is too simplistic. We need a balanced approach to fiscal and monetary policy to promote economic growth and job creation. This, coupled with expenditure rationalization, will lead to deficit reduction.

Financial performance can be improved in two ways: increasing revenues or decreasing expenses. On the revenue side, tax increases are not an option in this budget. Canadians are already over-taxed. Alternatively, we need to broaden the tax base by expanding the economy.

On the expense side, cutting and slashing to lower the deficit would be destructive. Moreover it does not take into account the value of an integrated expenditure plan which can create synergies and opportunities in support of economic growth.

Government must redefine its philosophy on expenditures, viewing them not as spending but rather as investing in people, programs and assets. We are investment managers of the taxpayers' funds, and when we invest, not only must we set returns and performance requirements but we must also become accountable to the people of Canada. When these returns and performance requirements are not being achieved government has a duty to take corrective action.

Annually the Auditor General has reported on countless examples of waste and mismanagement. We must respond to these reports and demonstrate that we have learned from our mistakes.

Our social programs were initially designed to provide a social safety net for those in most need. Although the system served Canada well in the past, we must overhaul and renew these programs to fit the realities of the 1990s and into the 21st century.

We must simplify our tax system and restore equity and fairness both in the personal and the corporate sectors. We must streamline government operations at all levels to improve productivity and efficiency. We must provide incentives for new investments, particularly in small and medium sized businesses to create lasting jobs for Canadians.

For every one dollar investment in Canada the multiplier effect is five times in terms of the contribution to our economy. This creates new jobs and a broader tax base which is essential to the meaningful reduction of the deficit.

At this point I would like to make a few specific suggestions for budget consideration. We must aggressively deal with the underground economy to ensure that more are paying their share so that all are paying less. With an estimated 20 per cent of our economy underground the government has a duty to conduct more network audits and to introduce more comprehensive