

The Address

Two days ago His Excellency the Governor General delivered the government's plan for the next four years to anxiously waiting Canadians. The election results from across Canada indicated a desire to depart from the status quo and it would appear the government MPs received the same message. I would like to congratulate this government for embarking on a path of dialogue and consensus.

We commend the initiative to cut \$5 million from the House of Commons budget. I am pleased that the government acted on a few of the suggestions contained in the Reform Party's paper on pensions and perks. We encourage the Minister of Finance to incorporate our other recommendations in his budget.

• (1700)

The Canadian public have lost faith in their politicians. It is time for the elected people to win back that trust. Being elected does not mean that we are automatically respected. We have to earn back that trust.

Canadians have the right to expect their representatives to act with dignity and decorum of office. An end to double dipping and a limit of age 55 before MPs can collect their pensions would be steps in the right direction.

The whole issue of MPs' pensions, however, must be addressed. The voters told us that they would no longer settle for a plan that gives members of Parliament substantially more than average Canadians. The Members of Parliament Retiring Allowances Act must be overhauled, not just tinkered with. It must be brought into line with the private sector.

The MPs' pension plan is not self-supporting. How can we in good conscience ask the overburdened Canadian taxpayer to pay for this generous retirement plan? I cannot, Mr. Speaker, and I am sure you feel the same way.

Canadians are looking to this government to restore their hope and to restore their jobs. The widely acclaimed \$6 billion infrastructure program must be recognized for what it really is, a joint project equally funded by the federal government, the provinces and the municipalities. This short term project will cost the taxpayer threefold. There may be three levels of government participating in this scheme but there is still only one taxpayer.

The talk of creating jobs and restoring confidence are only small steps in encouraging economic growth. We can no longer tell small business people that they can be the impetus to get the economy moving while they remain overburdened with heavy taxes.

The government plans to replace the goods and services tax, but what with? The GST, the most despised tax in Canadian history, does provide almost \$15 billion in net revenue. This is

an issue that the Reform members on the finance committee are looking forward to tackling. Earlier today my colleague from Calgary Centre suggested that this caucus supports and proposes to replace the goods and services tax with a flat tax system.

Mr. Mills (Broadview—Greenwood): A single tax.

Mr. Johnston: Sounds good to me.

My concept of Canada is a Canada economically strong and self-reliant. If we are ever to achieve self-reliance we must eliminate the federal deficit. This year alone the deficit could reach \$46 billion. The national debt has topped the \$500 billion mark and it increases by \$85,600 a minute. The time has come to take serious steps to control spending. Federal departments are still spending on frivolous, unnecessary schemes.

Here is an example. Just the other day there was a news report stating that federal government departments had commissioned videos that had cost the taxpayers of Canada \$18 million. Couple this and other examples of irresponsible spending highlighted in the Auditor General's report and one comes up with a soap opera that stumps the average Canadian. This has to stop.

The government must put a halt to this type of luxury spending. The Canadian taxpayer cannot afford it, Mr. Speaker, and your constituents and mine deserve better.

I want to ask this government how it plans to control departmental spending. The new initiatives announced in the throne speech are commendable and worthwhile, but can we afford them? Who is going to pay for them? Will we have to borrow more money and increase the debt load in order to pay for these programs?

All parties in this House acknowledge that we must reduce the deficit but we differ in the method. In my view, we will never accomplish this task unless we face up to the reality that we simply cannot continue to live beyond our means. Canadians do not want to rely on the government for their retirement so it worries me when I hear that this government is considering the elimination of the capital gains tax exemptions. Does this also mean that the \$500,000 capital gains tax exemption for farmers and small businesses will be axed?

People who work for large corporations and governments often have access to a pension plan, but the farmer and the small business person does not. Most often, he or she counts on the sale of assets accumulated over a lifetime to finance retirement and maintain their financial independence.

We must undertake a joint effort to deliver the best possible representation to the people of Canada. It is important to ensure that we are productive and co-operative in order not only to make this Parliament function better but also appear to function better, in a less offensive manner.