

The Budget—Mr. Marcel Tremblay

challenges which Canadian men and women will have to take up in the forthcoming years.

On Monday, April 3rd last, Mr. Speaker, the Speech from the Throne presented us with a vision of the future and dealt with such issues as economic growth, inequalities reduction, environment protection, as well as the maintainance of adequate and generous social programs for all those who really need them.

What the Minister of Finances Budget is offering us today the means to achieve these objectives. This Budget is of outstanding significance, not only because of the circumstances which surrounded its publication, but rather because of its substance generally and the problem it addresses in particular.

To understand this Budget well, one must realize that Canada was faced with the serious threat of becoming completely powerless to continue its economic, social and cultural development, of loosing the high standards of living we all value so highly, as well as being deprived of our quality of life and social programs. In fact, it is the very character of Canada which is being threatened, everything that distinguishes us from other societies. All of that because the public finances in this country are ill and attacked by a condition which is in the process of destroying everything. The causes of this condition are well-known: the national debt and its servicing.

Let us now have a look at the patient, Mr. Speaker! The national debt which reaches now \$320 billion is made up of all the deficits which Canadian Governments have accumulated since day one. This year, we will have to pay as much as \$39 billion just to service the debt. That is something to think about, Mr. Speaker! As an illustration we could say that 35 cents out of every tax dollar sent to Ottawa by my good Quebec East constituents is earmarked to pay for these interests.

Our national sickness has reached such a level of growth that it feeds on itself. Each year, the Government is compelled to always borrow more money, not to pay back its debt, but only to pay the interests on that debt. Our national debt results in a real misappropriation of funds which could forever jeopardize our economic growth and which, day after day, weakens our country and seriously mortgages its future.

Mr. Speaker, do we have the right to borrow—some might say steal—so much money on the backs of our children and grand-children who could not be here to

speaking-out for themselves and vote, but who would eventually have to foot the bill?

For the people living in my fine Quebec East riding as for most Canadian men and women, the answer is clear: We must put an end to the treadmill of the national debt. While we still can, we must stop this tremendous waste of our resources. We are very likely to succeed because our Government has been aware of the seriousness of the debt problem since it came to power. It did address it right at the beginning. For four and a half years, we have taken stringent steps to control the problem.

For instance, we have done away with a number of programs which had become obsolete. We have cut down on waste and made public management more effective by cutting over 10 000 positions from the Civil Service. Program expenditures on the whole have decreased in relation to national revenues.

We have eliminated unproductive tax shelters for corporations and high-income individuals. We have also reduced the annual deficit. In four years, we have lowered it by \$9.5 billion. In addition, we have succeeded in slowing down the growth of the public debt from 24 per cent in 1984 to less than 10 per cent last year. Our Budget program was conceived and implemented under a long-term comprehensive plan to revive the economy in a rapidly changing and increasingly competitive world. For the past four and a half years, we have built a solid foundation on which Canadians can develop their economic potential. Our aim was accurate. The results speak for themselves. Since 1984, Canadians have created 1.5 million new jobs and our economy has grown more rapidly than that of most industrialized nations. We have made that progress together, as a Government and as a nation, because we had the courage to make difficult choices and to take vigorous action in the fight against our fiscal and economic problems.

But we haven't won the war yet. The public debt disease has found a new ally: mounting inflation in Canada and other countries. It feeds the national debt and threatens our gains. In response to inflationary pressures, short-time interest rates are up. This year, they will largely exceed most experts' predictions. At the beginning of 1988, most economic analysts forecasted that the October 1987 market crash would slow down economic growth. Nobody in Canada or any other industrialized nation predicted the rapid growth and the inflation we are now experiencing. In Canada and