

The Budget

Last year's budget promised continued high levels of regional development spending, but what followed was cut-backs to the Atlantic Canada Opportunities Agency, which the government tried to disguise by stretching ACOA's mandate without allocating more funds. Having seen through this smokescreen one can understand why Atlantic Canadians are suspicious of the government's plans for the continuance of ACOA. The recent budget announced that ACOA grants would be eliminated and that ACOA would only provide loans in the future. This was unacceptable, since entrepreneurs in the region need the government's support in their endeavours more than their counterparts do in central Canada, for obvious reasons. So, the government modified slightly its harsh stance by announcing that changes will be made in ACOA's project funding criteria, which will allow it to provide grants in some cases and which will raise the ceiling for direct contributions to projects. This is a positive move. However, to prove that it has a firm commitment to Atlantic development, the government must stop sending out mixed signals. Regional development policy is fundamentally altered on a regular basis. It seems to follow a patchwork strategy and constant change means that the Atlantic business community is always having to second guess itself. This is hardly a sound regional development strategy.

Atlantic Canadians are receiving very clear signals that the government is abandoning our transportation infrastructure. First, the government killed VIA Rail which is vital to a region which needs affordable, accessible rail travel.

Now it starts to whittle away at Marine Atlantic, the Crown corporation which operates ferry services in Atlantic Canada. Marine Atlantic will lose over \$9 million in the next two years, a move which will result in either reduced services or higher fees, neither of which is good for passengers or business in this region. Prince Edward Island's economy in particular will suffer from this decision.

Another step in the government's abandonment of the region's transportation infrastructure is the cut-back in small craft harbours. The program will lose \$29 million over the next five years. As well, the budget announces that the government will: "implement alternative management and operational policies for existing harbours". Are we to infer that this means the privatization of small craft harbours or higher user fees for fishermen? This

simply cannot be borne. Our communities are already under siege.

"Under siege" is a good way to describe how all Canadians feel about the budget cut-backs in Established Programs Financing which contributes to provincial health care and post-secondary education.

• (1640)

If a budget is a symbol of a government's priorities and values then this measure is a sad comment on the soul of this government. The finance minister's rallying cry that we must all help to fight the deficit takes on a whole new meaning. He means that deficit reduction will be carried on the backs of the young and the sick.

Let me add my voice to the chorus of outrage against this government's appalling lack of compassion and respect for veterans. It cannot be stressed enough that Canadians owe these men and women a debt which can never be fully repaid. They fought or were willing to fight for their country only to see now the government which claims to represent that country turn on them. In our time of need they were there. Where is the government in their time of need? The government plans to charge board and lodging to approximately 1,500 veterans under long term care and it will increase the rates for those already paying. The government carries this outrage one step further by eliminating the heavy housecleaning program that helped veterans live in their own homes. This government intends not only to deprive veterans of affordable long term care but of their dignity and independence as well. Having already fought for Canada, veterans should not be enlisted in the so-called war against the deficit.

All Canadians are questioning why they have been drafted to fight a war that they did not instigate. The Conservative government has had six years of economic growth and increasing revenues, but we have also had six years of Tory mismanagement of Canada's economy and finances. Now, as the country slides into a recession, we are hit with another bad news budget. The Tories will say it could have been worse, and Canadians shudder at the very thought.

Mr. Garth Turner (Halton—Peel): Mr. Speaker, my hon. friend has raised many interesting points in his budget discourse. I have a comment and a question for him.