

Government Orders

Dealing with the job creation situation, obviously he is aware of the infrastructure program of the new government. We hear criticisms of it. I heard criticism of it during the campaign and still hear it, but not from many of the unemployed I might add. Frankly, I can say that having come from 13 years in municipal government it is applauded coast to coast in this country by municipal leaders of every political stripe. So that is a major step in the right direction.

Obviously we recognize that the private sector will and should create most employment in this country. The infrastructure seeks to look for a partnership with the private sector to help do that.

In terms of the second part of the question dealing with tax loopholes, quite frankly the statistics will show that since 1984 under the previous government those earning high incomes, in the top 3 per cent in this country, paid less in income tax. To me that is fundamentally unfair and immoral. It must stop. I am confident the Minister of Finance will do everything possible to address that what has to be the ultimate inequity.

• (1655)

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, I would like to congratulate the member for London—Middlesex on his remarks, particularly to show this House that perhaps we are not going to hear the nonsense and clap-trap of the previous government about a jobless recovery because there is no recovery unless there are jobs for people and unless we can really have people back working again. I congratulate him on addressing that very profound question of jobs in our community and in our country.

Would the member go beyond just simply saying that we do need jobs and really put that into action by having his government put forward specific targets for the reduction of unemployment which we could debate in this House? I would like to see this.

I would like to know the member's reaction to having the government come forward and being accountable to the people by saying: "Here is our target not just for the reduction of the deficit"—and I agree the deficit is a problem—"but here is our target to reduce unemployment. We are going to put it before the House, we are going to defend that target and we are going to have a debate on it". Does the hon. member think that would be a useful thing for his government to do?

Mr. O'Brien: Mr. Speaker, I thank the member for Yukon for her kind good wishes, her remarks and for her question.

I think that small / liberals, the two of us, are probably of very like minds on this very question. Sure, the deficit is important and has to be slashed. I fully agree that any so-called recovery which leaves hundreds of thousands of Canadians unemployed is simply not a recovery by my definition of the word.

I fully support the idea that one ought to have specific targets to try to reduce that unemployment level just as our party has laid out specific targets in wanting to reduce the deficit. It is a logical suggestion and a good one. I will pass it on to the Minister of Finance.

[Translation]

Mrs. Dalphond-Guiral: Mr. Speaker, I rise on a point of order.

The Acting Speaker (Mr. Kilger): The hon. member for Laval Centre on a point of order.

Mrs. Dalphond-Guiral: Mr. Speaker, I want to inform the Chair that, from now on, members of the Official Opposition will make 10-minute speeches, followed by a 5-minute period of questions and comments.

The Acting Speaker (Mr. Kilger): Thank you. Resuming debate. The hon. member for La Prairie.

Mr. Richard Bélisle (La Prairie): Mr. Speaker, this debate on government finances is extremely important for all Quebecers and Canadians. I am particularly pleased to participate in this exercise and I want to take this opportunity to thank the Minister of Finance for having made this debate possible today.

As the member for La Prairie, I have the honour of representing in this House the citizens of Brossard, Candiac, La Prairie and Saint-Lambert. These people are middle-class workers. They have worked very hard to get what they have and they often find it revolting to see political leaders and elected politicians unable to control the public debt and the budget. They are annoyed because, in many cases, they have saved every dollar by not going over their weekly budget and, more importantly by not relying on other people's money, money which is not theirs and which leads to debt and dependency, as is the case for Canada right now.

The lack of control over government finance is reflected by the fact that from 1960 to 1994, the debt-to-GDP ratio in Canada went from 34.6 per cent to 71.8 per cent. This means that the debt increases faster than the government revenues which could be used to pay off that debt. While the debt-to-GDP ratio is an indication of the scope of the problem inherited, the evolution of the deficit versus the GDP enables us to find out when, over a period of time, the federal debt simply grew exponentially.

• (1700)

Between 1970 and 1984, the deficit as a percentage of GDP rose from a negative balance of—0.3 per cent—in this case, a minus sign means a budget surplus so in Canada, in 1970, we had a budget surplus—to 8.1 per cent, which was exceeded only in 1985. So in 1984, this percentage peaked at 8.1 per cent. Subsequently, the ratio gradually declined to 4.5 per cent and then rose to 6.2 per cent in 1994, under the new government. In other words, the Liberals have been mainly responsible for the deterioration of public finances in Canada. The Liberals are