

*The Budget—Mr. Valcourt*

abandon its plans for further cuts to VIA's budget, and to provide the necessary resources to allow VIA to operate as a modern, effective transportation company rather than as a museum piece.

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**QUESTIONS ON THE ORDER PAPER**

**Hon. Doug Lewis (Minister of Justice and Attorney General of Canada):** Mr. Speaker, I ask that all questions be allowed to stand.

**Mr. Deputy Speaker:** Shall all questions stand?

**Some Hon. Members:** Agreed.

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**MOTIONS FOR PAPERS**

**Hon. Doug Lewis (Minister of Justice and Attorney General of Canada):** Mr. Speaker, I would ask that all Notices of Motions for the Production of Papers be allowed to stand.

**Mr. Deputy Speaker:** Shall all notices of motions stand?

**Some Hon. Members:** Agreed.

**GOVERNMENT ORDERS**

[*Translation*]

**THE BUDGET****THE FINANCIAL STATEMENT OF THE MINISTER OF FINANCE**

The House resumed from Tuesday, May 9, 1989, consideration of the motion of Mr. Wilson (Etobicoke Centre) that this House approves in general the budgetary policy of the Government.

**Hon. Bernard Valcourt (Minister of Consumer and Corporate Affairs):** Mr. Speaker, it is a pleasure today to take part in this debate on the Budget. This is a debate about our future. It is a debate about responsibility and about the kind of Canada we want for Canadians today and the kind of Canada we want to leave to our children.

Mr. Speaker, I must say I am also very pleased that Canadians were able to see the irresponsibility shown by the Opposition Parties during the last two weeks in their comments on this Budget.

Last month in the Throne Speech, the Government announced its agenda for the next few years, an agenda that emphasizes the Government's commitment to maintaining economic growth across this country, to continue to provide Canadians with a vast range of social programs, to protect the environment and to protect and strengthen the fundamental values that define us as Canadians.

At the time, as Hon. Members will recall, Members on this side of the House stressed the fact that the commitments in the Throne Speech could not be met unless Canada can rid itself of the intolerable burden that the national debt has become.

To understand what we are talking about, Mr. Speaker, I think it would be useful to give a short overview of the budgetary process during the last fifteen or twenty years.

Up to the early 1970s, ministers of finance had more or less been able to balance their budgets, which was relatively easy because the economy was in good shape and money was flowing into the coffers of the Treasury. Because those were affluent times, the Government of the day was able to develop many social programs, to provide assistance to the needy, and to fight against regional inequalities. In those days, politicians had it easy. They could afford to be generous and please almost everybody. Those were happy years. But then, around 1973-74, the economy started slowing down. The good time was over with the oil crisis which had a considerable impact on finances, but our friends opposite who formed the Government at that time kept on managing the affairs of the State as if nothing had changed, as if nothing had happened, as though the Canadian economy was still going full speed. And that is when for the first time we started to run a deficit. The Leader of the Liberal Opposition can rightfully claim that he was the first to create annual deficits in this country. That is his legacy to Canadian men and women.

• (1510)

At first, the deficits were small. People thought that it was only a temporary phenomenon, but over the years, they quickly realized that these small early deficits had become enormous and when we assumed power in 1984, something nobody can deny, the annual deficit was close to \$40 billion. And during the Liberal Government's last term in office from 1980 to 1984, the trust in the Canadian economy was at its lowest ebb, every month