

Oral Questions

[English]

THE DEFICIT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, we have asked and asked the Minister of Finance how long it will take to eliminate the deficit. He has been completely unable to give us an answer.

Now we discover that the President of the Treasury Board has it all under control. The year 2000 will be the year that Canadians will start to move out from under the deficit cloud, that is, if the cloud has not descended upon us by then.

The minister and his colleagues said they will "hum the same balanced budget tune". This is no time for a cowardly rendition of the "lower the deficit only if you can" song. It is time for the minister to produce the deficit requiem mass. By the way, would he please be sure to send a copy to the Minister of Finance as he seems to have been left out of the choir.

ORAL QUESTION PERIOD

[Translation]

NATIONAL DEBT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, despite the spending cuts announced in the Budget, the government is faced with a substantial increase this year, from \$42 billion to \$50 billion, in the cost of servicing the debt. This increase is, of course, a direct consequence of our growing cumulative debt. In other words, the debt problem has not been addressed, despite the government's commitments.

My question is directed to the Minister of Finance. Will the minister confirm that even with the spending cuts announced in the Budget, the government's cumulative debt will total nearly \$800 billion five years from now?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): No, Mr. Speaker, I believe the estimate given by the Leader of the Opposition is a little too pessimistic. We certainly intend to continue our efforts to put our fiscal house in order, but we did inherit a very substantial debt. In fact, that is why we took some very specific and very decisive steps in our latest Budget.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the figure I quoted is based on the data given in the Budget, on the minister's own figures over three years, projected according to the same parameters. He cannot deny those figures.

More specifically, I want to ask him whether he would agree that the debt problem will not be solved as long as nothing is done about the political structures of an ossified federal system that has turned Canada into a country that is overgoverned with, for instance, 40 per cent of federal spending targeted to areas that come under provincial jurisdiction?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, projections like those just made by the Leader of the Opposition are based on the assumption that the government does not intend to intervene. However, we have just made it quite clear that we intend to use budget after budget to introduce decisive measures to deal with the legacy we received from the previous government.

That being said, as far as government structures are concerned, we have again made it very clear in the Budget that we are capable of taking action in this respect. If anyone is in favour of the status quo, it is, unfortunately, the Leader of the Opposition and his party.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister was into his usual rhetoric, but I would remind him that the figures I just mentioned were computed directly on the basis of his own figures, assuming that he meets the objectives he has set, however inadequate they may be.

I want to ask him how he can deny the federal government's very obvious inflexibility, when we consider the \$5 billion tax on employment, and I am referring to the surplus created by excessively high UI premiums, which the government will use to fund new incursions into the area of manpower training, instead of reducing UI premiums to stimulate job creation.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Minister of Human Resources Development and I have said repeatedly that we plan to reduce unemployment insurance premiums. In fact, one of the first announcements the minister made a year ago was in that vein.

• (1420)

Yes, we are creating a surplus, but I would have thought the Leader of the Opposition would welcome that. We inherited an incredible deficit, and we are turning it into a surplus. That is quite a feat.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, once again, the Minister of Finance has delayed the needed reform of the Canadian tax system instead of ensuring that all taxpayers and corporations pay their fair share of taxes. He chose once again to go after the middle class and the most disadvantaged in trying to address his deficit problem.