

*The Budget*

We are well on our way to both fiscal sanity and healthy government. The naysayers and the special interest groups will try to convince Canadians that we have cut too much. Other people will say that we have not cut enough and that we should sacrifice our social programs in the interest of deficit elimination. Neither opinion reflects the needs and the desires of Canadians. The budget is about fairness, balance and a sense of the future.

As I said earlier, there is more we can do. I have mentioned this at different meetings with the Minister of Finance. There are more ways to find waste and other excesses in government. Every stone must be turned to find waste. Public servants out there are willing to talk about it and to tell us but they must be protected.

As Liberals we will continue on our course of creating opportunity for Canadians.

**Mr. Chuck Strahl (Fraser Valley East, Ref.):** Mr. Speaker, as I was listening to the member I could not help thinking the Liberal side of the House must have a special fund set aside for psychiatric help. I have never heard so much talk about how they proudly built the programs and now they are equally proud to dismantle them. I just do not know how they can say that.

I would like the member to address several dilemmas that must go through the Liberal mind. I would not want to call them broken promises. How does he reconcile that the budget broke the workforce adjustment directive when a couple of months before they promised they would not break it?

• (1755)

How can he justify that when the government came into power it said that it would not sign the GATT without a strengthened article 11(2)(c) and then it signed it anyway? The government was not going to sign the NAFTA but it signed it immediately coming into power. The government promised to eliminate the GST but that has not been possible. The government said that it would reform the pension plan of MPs but it just does not have the guts to do it.

Furthermore, things are coming down the road that Canadians know about. The Prime Minister muses that perhaps a 1 per cent or 2 per cent of GDP drop in health care funding is inevitable. That will amount to \$10 billion or \$15 billion. That is inevitable.

The member proudly said that there were no changes in UI. Yet the minister in charge of that program travelled the country for six months to try to find ways to change it. The member is proud to say that it has not changed. It has to change.

The last question I would like to ask the hon. member is: With respect to the pension plan of MPs, will he opt out or not?

**Mr. Proud:** Mr. Speaker, to the last question first, my answer is definitely not. I will not opt out. I am not ashamed of the pension plan. We changed the pension plan as we said we would do. We even went further than that. I will defend our pension plan and salary as MPs anywhere in Canada. I am not afraid to do that.

As far as justifying the workforce adjustment directive, the government negotiated with the unions and 15 of the 16 unions agreed to it. It came to a point where it had to be done and we took the attitude that we would do it. We did it and we are going to look after it in the most humane way possible.

We built the social programs and we are not dismantling them. I have said it over and over again. The Prime Minister has said that the costs of health care can be cut. That is what I said in my speech. We have to do things smarter and we will do it. We built the social programs; we will maintain the social programs. The social programs will be as good in 10 years time as they were 10 years ago as long as we form the government.

I have no qualms about any of the questions the hon. member asked. We have lived up to our commitments. Commitments were made and commitments were kept and we will continue to do so.

I have no problem in defending unemployment insurance. Not one change has occurred to the unemployment insurance system as yet. That is what I said. Nothing has changed. Some changes will be made. The minister has travelled the country.

In my speech I was talking about seasonal workers. Seasonal workers are not the problem; it is seasonal work. When we reach the point where such people can work 12 months of the year we will not need unemployment insurance for them. Until that happens, with them in agriculture, fishery and tourism we need to have some kind of compensation for them. I will be the one to make sure, to the best of my ability, that it remains for them.

[Translation]

**Mr. Mark Assad (Gatineau—La Lièvre, Lib.):** Mr. Speaker, in tabling the budget, our Minister of Finance has certainly shown a great deal of courage; it is definitely a first step towards the sound management of public funds.

To have a good understanding of the current economic climate and take effective action, we must, first, identify the economic changes experienced in the last 20 years and, second, have a clear vision of the goals to be achieved and the concrete ways to achieve them.

We are, of course, facing major economic changes. They have brought hardships and restrictions to all our fellow citizens. Their impact on disadvantaged groups is even stronger. Salaries