

Government Orders

happen overnight. It has accumulated over a period of time. With respect to the budget, we are taking a planned period of time to deal with it very prudently and efficiently.

When the hon. member says we have no plan, we did have a plan and we made promises according to the plan to reduce the deficit. That is the number one priority on Canadians' minds today.

If the member feels the budget is something he cannot vote for, as he has indicated, why was the budget presented a few weeks ago by the Reform Party so heartily rejected by all Canadians and this budget so readily accepted?

Mr. Strahl: Madam Speaker, I thank the hon. member for her intervention. It may be jumping to a conclusion to say the Reform Party's alternative budget was not well accepted. When I read editorial comments from the *Globe and Mail*, when I read the *Financial Post*, when I read comments from other people who have looked at the substance of our alternative budget, there is widespread acceptance that we must have a balanced budget. Although we may quibble about some details or some finer points, the essence of the argument remains sound that we must have a plan to balance the budget. The Liberal budget has no such plan. In the Liberal budget the hope is to get it down to 3 per cent of GDP, twenty billion or twenty-five billion dollars.

The irony of it is although they can say this may be kinder and gentler because they will not take as many steps as the Reform Party, in essence what they are saying is that with the cuts we see now, we ain't seen nothing yet. To get it from \$20 billion down to zero, they will have to make significant, serious cuts.

The interest component of their budget is going from \$38 billion to \$51 billion in three short years. How can that be a good thing for the Canadian economy? How can that help to preserve social programs? How can that help to preserve the core of the public service? How can they hope to meet the legitimate needs and the legitimate concerns of the needy people when they are promising them that within three years they will spend an additional \$13 billion on the interest component of the budget?

There is no compassion in a budget that says there is no plan to balance. The compassion lies in having a plan to balance. When it is balanced we can offer security of social programs, tax relief and some assurance about where we heading into the future. Unless they can offer that, Moody's and the rest of the economic fiscal world will say the budget the Liberals are presenting is not good enough.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I wanted to ask my colleague two questions. How would my colleague explain the fact that Canadians generally and the business community in particular have been extremely supportive of the

budget and have also supported the initiative of reducing the deficit at 3 per cent of GDP?

• (1350)

I heard some comments that were not supportive of the government's initiatives with respect to the civil service. Could my colleague tell the House what the Reform Party's options are in reducing the civil service?

Would it provide an early departure initiative, an early retirement initiative? Would it permit counselling? Would it provide other types of assistance such as working with communities for the creation of jobs?

If it is yes, how can he be critical? He should jump up and applaud.

Mr. Strahl: Madam Speaker, I thank the member for those questions. They allow me to clarify both the weakness of the Liberal budget and the soundness of the only alternate budget we have seen that will balance the budget in the short term to offer the security I am talking about in the long term.

What the budget does, to give credit, is signify a change in attitude in government spending. For the first time ever we see a government that has actually seen the light and has turned the corner. It has gone from what is a hopeless situation of increasing deficits to one of modest deficits.

The trouble is—this gets down to the security of the public service—there is no security in offering continued deficit budgets. What possible security is there when someone is loosing their house and not making their mortgage payment?

Why does one see cutbacks in health care transfers from the government? Why does one see cutbacks in welfare transfers? Why does one see cutbacks in training, cutbacks in the military, cutbacks of 45,000 in the public service? One sees it because the government cannot balance the budget. Until it can balance the budget there is no security in any of those programs.

When we brought forward our zero in three plan three years ago we proposed a cutback of 15 per cent in the public service because we were up front and honest. A cutback of 15 per cent would have been a cutback of around 30,000 or 35,000 public servants. We were up front about that.

The government went through the election promising no job losses by the minister of public service renewal. He promised something he could not deliver on. We would have had our program in place. The budget would be within one year of being balanced.

There would have been certainly a job loss of 35,000 public servants but already 45,000 public servants are laid off under the budget. We are not done yet. There will be more contracting out. There will be more private and not for profit agencies. There will be more initiatives by the government in years to come to