

The Budget

of generations to come, and this, Mr. Speaker, is the fault of the Liberals who left us this crushing legacy.

An hon. member: Ha, ha!

Mrs. Jacques: Shame! The hon. member should realize this is no laughing matter.

No, it is because of you that we are at the point where we have to make budget cuts to deal with this lamentable situation. People criticize us and you criticize us too.

We must therefore reduce the debt to ensure sustained economic growth.

Canadians know that the measures taken in this Budget are necessary to avoid a recession or a disastrous future for all of Canada.

Madam Speaker, I admit that some of these measures are difficult, but they are also absolutely necessary. We will be able to see the positive result of these budget cuts by 1995 when the deficit will be down to \$10 billion.

Our government preferred to reduce expenditures instead of raising new taxes. Indeed, Madam Speaker, this Budget has no new tax. Seventy per cent of the actions taken to reduce the deficit apply to spending. We reduced the size of the Public Service by over 12,000. We intend to privatize Petro Canada because that will enable people to own shares in it directly. Cuts will also be made to some privileges of public servants and parliamentarians. Government subsidies and assistance will also be reduced. Some programs will be reduced, others will be eliminated. We are also proposing several changes which will considerably improve the income tax system and make it fairer for all taxpayers.

But, Madam Speaker, we made sure that the most important social programs such as family allowances, benefits to seniors and veterans and unemployment insurance were spared. We recognize our people's essential needs and are striving to ensure that low-income Canadians are affected as little as possible by budget restrictions.

Budget cuts are not always easy to make. Everybody says: "Go ahead and cut but not in my backyard, not in my pockets." How can you take measures that will not affect people? The Liberals have left us in an economic chaos, which I find appalling. By electing us in 1984 and

re-electing us in 1988, the Canadian people have given us a clear mandate: reducing the deficit! But if people want us to reduce the deficit, I ask them to do their part. It is not always easy. The situation resembles that of a man who tells his wife that his week's pay was cut. Instead of going to the hairdresser twice, the lady will go only once. Of course, the husband would like to tell his wife to have her hair done everyday, to hire someone to do it at home. But they cannot afford it. But if they keep on saving, one day perhaps, they will be able to hire a housekeeper or some help.

So the important thing is that we must all work hand in hand, help one another and reduce the deficit. We do not have the choice, as I said earlier, it is a matter of economic survival. We decided upon those measures in the best interest of Canadians. Our country's prosperity depends largely on our determination to tackle right now our deficit problems in order to control inflationist tensions. It is with a government like ours, a government that is not afraid to act, that we will succeed in building our country. We will succeed because we have the unfailing support of the Canadian people. It is not by throwing grants left and right, as the Liberals did in the past, that we will buy our seats. Because you know, Madam Speaker, we did reduce the deficit. Listen, I have a very good example for you. When I was first elected in 1984, through the Canada Works Program, which we all know and which has been changed since then, I had \$2 million to spend in my constituency. That's awful! We now manage with \$700,000 for each constituency. Can you imagine that! Our Conservative government has cut more than one million dollars per constituency. Listen, before the election, my opponent was giving enormous amounts away to churches, half a million at a time. Don't you find that unusual when our people are in need? I found it simply terrible that we would squander money away like that, and then my parish priest was mad at me because I had no money left for him. You don't buy people that way. I thought it was awful.

• (1700)

Madam Speaker, foremost among the budget objectives are the cut-backs which will make it possible to bring the deficit down to \$28.5 billion in 1991, then in the three years after that it will be reduced by half, down