

*Government Orders*

● (1315)

That will carry on ad infinitum until the date we can turn things around and say: "Here is a tax decrease". The extra \$1.4 billion a year will carry on every year. That should be compared to our taxpayers' budget which said the job could be done and there would be no more taxes.

What about the deficit? According to the figures of the Minister of Finance, in the year 1995-96 the deficit will be \$32.7 billion. The Liberal government has been around for 18 months. The deficit was \$40-odd billion when it arrived. After this draconian or toughest budget since the second world war—and this is the minister's second budget—he will only get it down to \$32.7 billion.

The following year it should be \$24.3 billion and maybe \$20 billion after that. Who knows after that as the country goes into an economic decline, with UI and other costs like welfare going up and tax revenues going down? They know that will happen. My goodness, are there no business people over there? Tax revenues will go down, expenditures will go up and we will have lost control of the budget again.

What about the taxpayers' budget? The figure in 1996-97 would be \$23 billion, not the \$32.7 billion of the Liberal government. In the subsequent year we would be down to \$11 billion, while they would still be up at \$24.3 billion. And, hallelujah, in the following year at the end of 1997-98 we would be down to zero, a balanced budget, and the Liberals would still be around \$20 billion.

If they are still over there in that year, we will still be over here talking about another borrowing authority. However if we are over there and they are over here they will not have to worry about borrowing authority speeches after all. We will not need them.

What will the Liberal budget do for job creation? We already know that it is not too rosy in the public sector. There will be 45,000 less jobs. In the private sector there is more debt and less jobs. That is fairly simple. We know that already. Whereas in our budget we acknowledge there will be a negative impact on the public sector because we will have to do what those folks are doing because we will have to fix the problems you created.

**The Acting Speaker (Mr. Kilger):** I would ask the hon. member to direct his comments to the Chair. I feel left out again.

**Mr. Williams:** Mr. Speaker, I would not want you to be left out. I apologize. If the Liberal government remains over there it will have its work cut out. Jobs will be denied because of the fact that debt will still be mounting.

On it goes. We produced a 58-page document, almost as big as the one the Liberals produced with all the masses of the public

service, statistics and budget analysis right across the country as they spent millions of dollars. What did it all matter? We now find out that the big consultation before the budget was at the Liberal caucus just before the budget was brought down. Perhaps that was the big consultation that influenced the Minister of Finance. All this consultation across the country was for show.

A borrowing authority as an annual event has to stop. That is what we are saying. We cannot afford any more. Therefore let us make a commitment or let us make a real resolution in the House that we may have this one and perhaps two more debates on borrowing authority and no more.

**Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.):** Mr. Speaker, I appreciate having the opportunity to talk about the budget. I would like to start by congratulating the Minister of Finance.

The Minister of Finance has put forward a responsible, well developed and, something members opposite have a hard time with, fair budget.

● (1320)

It is a fair budget, a responsible budget and a good budget because the government recognizes that it has a dual responsibility when dealing with Canadian affairs. It recognizes that it has a fiscal responsibility. That is why the budget is prudent. It recognizes that we operate in a businesslike way but recognizes that we are not a business. It recognizes that we need to get full value for each of the dollars we spend.

In addition, the government recognizes that it has a social responsibility and that certain things are done in government not just to earn a profit but because they are the right things to do. We do them because we recognize as a government that we have responsibilities and obligations to individual Canadians. We intend as a government to adhere both to our fiscal responsibility and to our social responsibility.

I do not think there is any question in terms of fiscal matters that our responsibility has been carried out and carried out well. For the first time in almost a generation a Minister of Finance established a deficit target last year. Not only did he hit that target. He did far better than what he said he would be able to do.

Second, the minister set a medium term objective of 3 per cent of GDP in the next two years. He set out a strategy that will see us do that. It is a clear and concise strategy. It is an achievable plan that will see our deficit reduced to 3 per cent of GDP.

Despite what members opposite might say, this is not a smoke and mirrors budget. These are real cuts. This is not what happened in the past where the talk of reduction was simply that we would spend a little less than the increase we had planned. These are real cuts in actual spending and they are being done