1960s. It has been beneficial to Atlantic Canada. I believe that as this government adopts a very callous attitude, the alienation of Atlantic Canadians, of the people in the north and in the west toward the central government will have nothing but an adverse effect on Confederation and on how we as a country see ourselves.

I know that my time is waning because we are going to hear of more cuts, more hardship, more havoc on all the citizens of Canada—not just Atlantic Canada—coming up in about a minute and a half. I will defer any further comments. I want to hear what the Conservative government is going to do for us. It has done so much to us so far that I cannot imagine that there can be anything left that it can take away from Atlantic Canada.

It is a continuing drama of cut-backs on the basis of bottom line. The government is suffering from that rare disease called "defictitis". It plays the smoke and mirrors game of adding on here and changing the funding there. The net effect is that Atlantic Canadians lose. They have lost before, and they are losing now with this bill.

Some hon. members: Hear, hear!

[*Translation*]

The Acting Speaker (Mrs. Champagne): Pursuant to order made Monday, February 19, 1990, the debate is now adjourned.

Mr. Speaker: Order. It being 4.30 p.m, pursuant to order made Monday, February 19, 1990, the House will now proceed to the consideration of Ways and Means Motion No. 13.

* * *

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

Hon. Michael Wilson (Minister of Finance) moved:

That this House approves in general the budgetary policy of the government.

He said: Since 1984, this government has been following a consistent and comprehensive plan to ensure that Canadians can benefit from a rising standard of living and a quality of life second to none in the world.

As a vital part of that plan, we have been striving to gain greater control over our nation's finances.

We have attached a very high priority to this objective. Because as we achieve it, we will gain greater flexibility and independence of action to meet the priorities of this government and of Canadians.

Last year I set out a five-year deficit reduction plan to achieve this objective. It was, and is, the right course to follow.

The deficit for this year is on track at $30.5 billion. But our future progress is endangered by deeply entrenched inflationary pressures.

Today I am asking Canadians to join in a broadly based program to reinforce our efforts to control government spending. This program will keep us on a track that will allow us to achieve the goals that I set out in my last budget: We will reduce the deficit to $28.5 billion this next fiscal year; We will cut it in half to $14 billion in three more years; and, We will reduce it further to $10 billion in the year after that.

This will mean that within five years the government will begin to buy back its bonds and Treasury bills. The country will be on a clear path of substantially reducing the burden of debt.

Last year I said that for every dollar the government collects, the interest on our debt was 35 cents and rising. That is money we can not use now to get taxes down or to address priorities such as environmental protection, research and development and skills training. We must pay those interest costs. In this budget I will show how, over the next five years, we can reduce that 35 cents to 26 cents—and keep it going down.

[*Translation*]

Reducing the share of revenues we pay out in interest will increase our capacity to meet the aspirations of Canadians.

That is one important reason for reducing our deficit. There are other important reasons.

Every additional dollar of deficit we incur today means an increased burden of debt for future generations. We have a responsibility to our children and grandchildren. To build for them, not to borrow from them.