

Government Orders

with many members on both sides of the House, but it is short sighted.

The member talks about the cuts we want to make regardless of the human side. Reformers have consistently said it is because of the human cost that we have advocated change. It is no fun to be the guy who says we have to make severe cuts and we even have to readjust our expectations in the pension plan. What fun is there in that? The reality is I want to preserve the core of that for people who need it.

By preserving it now in a relatively short order, we can preserve the parts that make Canada great. It is because of the human side. The last point about the Bretton Woods institution, I have a private member's bill on the Order Paper about the accountability of international financial institutions—

The Speaker: I regret the member's time has expired.

Mr. Strahl: It is because of the time that he took.

The Speaker: With the greatest of respect to members on both sides of the House, the total time is five minutes and I think that has been fulfilled.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I look forward to the day when I will not have to rise to speak about a borrowing bill.

Liberal members of course, have spent the last few days claiming that the finance minister's budget is the greatest thing to ever bless Canada. They claim that the world financial markets love it and that their constituents love it and all is well. In fact, I would like to thank the member for Broadview—Greenwood for confirming that the budget that the people like so well is not Liberal policy. It simply confirms that people do not want Liberal policies.

Members opposite for the last two days have been claiming the dollar is going up and interest rates are coming down. They say: "Don't worry. Be happy". I think the decline in interest rates has a lot more to do with the amount of money people have put into GICs in the last few days for their RRSPs. It has given the banks a surplus of money that they have to get rid of.

Today the dollar did not continue to go up the way members opposite had hoped. It continued to slump, down to 70.92 today, which is more than a cent and a quarter below the high the day after the budget.

Perhaps this means that the international markets have had time to look a little more closely at the budget and they can see that most of the cuts are deferred until next year while all of the big tax increases occur this year. However, I do think we really have to wait a few weeks before either side decides they have the

answer to whether the dollar is going up or down. We need to give the markets time to really continue to study this document.

There are tax increases in the budget that are really going to hurt the average Canadian very much. Liberal MPs must be the only people in the country who think that a penalty tax on banks is not going to affect the loan rates or the service fees or something else that people use at banks.

• (1650)

Liberal MPs must be the only people in the country who think that a 1 per cent increase on the surcharge tax for corporations will not trickle down to price increases or service charge increases.

Liberal MPs must be the only people in the country who think that a 1.5 cent a litre increase in the tax on gasoline will not mean higher prices at the pumps.

Despite all of these deceptive increases in taxes that will hit the average Canadian, the ship is still going down, albeit a little more slowly and with a few less crew on board. In three years the interest payments on the debt will have consumed every single cent the finance minister has saved in his latest budget.

The minister was quoted in the *Vancouver Province* as saying: "The light at the end of the tunnel is much closer than any of us might think". That light is getting larger because there is a locomotive bearing down on us. The finance minister may be going in the right direction but he is on the wrong track. Increased taxes will not bring confidence to the job creators of the country, that is businesses.

I know members opposite think the government creates jobs but it is actually business that creates meaningful and real, long lasting jobs. If businesses do not feel good about the economy they will not expand and create jobs.

Let me compare the finance minister's performance with that of some of the governors in the United States. A constituent in my riding, Mr. John Dickenson, provided me with a tape of a speech made by Governor Carol Whitman of the U.S.A. She is the governor of New Jersey.

Governor Whitman cut business and income taxes three times over a two-year period, a 30 per cent cut in taxes at the same time as she slashed spending to comply with a balanced budget amendment. Opponents, for which we can read Liberals, said: "The sky is falling. The economy will be destroyed". Instead, 60,000 new private sector jobs were created by the private sector and tax revenues actually increased.

The same pattern is evident in state after state. Governor Bill Weld of Massachusetts cut spending by \$1.7 billion in his first month in office. He also cut taxes five times and now has the lowest unemployment levels in the United States.