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Federal budget: 'Responsible but tough'

Mississauga MP Tony Abbott has described Finance Minister John Turner's Federal budget as a "tough but responsible" piece of legislation.

"The finance minister was faced with three basic problems," Mr. Abbott told The Mississauga News yesterday (Tues.). "He had to deal with inflation, recession and the energy crisis. In trying to combat one he had to avoid contributing to the others."

The Mississauga MP said that consequences will be felt by both government and the consumer. "Certain government programs are going to suffer as a result of the budget," he said, "just as the motorist will feel the gas increase."

One hoped-for result of the 15 cent increase in the cost of gasoline will be a trend toward smaller cars, according to Mr. Abbott. He said that even with the increase, the price Canadians pay for gas is roughly equal to the U.S. price per gallon and still half that of the European price.

Mr. Abbott said he understands people's concern over the price increases. He estimated the increase in the cost of living index will be about 1.6 per cent because of the budget. He described the increase as "unfortunate but inevitable."

"I really don't think Mr. Turner had any choice in the direction the budget took," he said. "I believe that

Canadians will recognize the budget as a determined effort on the part of the government to cut expenditures."

In referring to the predicted \$5 billion deficit, Mr. Abbott once again described the situation as unfortunate, but pointed out the trimming of \$1 billion in government spending as a solid measure designed to combat inflation.

The energy crisis emerges as a major dilemma the budget attempts to deal with, said Mr. Abbott. If new oil discoveries are not made soon, he estimates that Canada will be out of oil within ten years. "The increased oil prices were necessary to make our prices competitive with others on the world market. They have to be competitive to encourage investment in the Canadian oil industry," he said.

Progressive Conservative Don Blenkarn was unavailable for comment on the budget, as was the president of the PC association in Mississauga.

Bob Harrison, vice-president of the association, describes Mr. Turner's budget as "ludicrous," and "a backhanded way of fighting inflation."

"It seems that the government is passing the load on to the average working man," he said. "The cost of living is going to increase by 1.6 per cent, and that to me is not fighting inflation."



TONY ABBOTT