

Supply

the established programs financing and second through equalization payments to some provinces.

Mr. Speaker, it has been pointed out that the Budget we introduced is cutting by 1 per cent the increase in established programs financing to the provinces. That means the federal Government will make bigger payments to the provinces over the next five years, regardless of that \$25 million reduction over that period. And the Budget does not change anything to the equalization payments that are made to some provinces, including Québec.

• (1330)

More important still, Mr. Speaker, the Canadian Government is transferring money to provinces but has absolutely no say in the way it is spent. Provinces can say and do whatever they want with the money we give them to build roads, schools, hospitals or whatever. We have no control whatsoever.

This is why the attack by the Hon. Member for Laurier—Sainte-Marie is absolutely ludicrous in that respect.

He referred to family allowance, old age security pensions, he said we set this at \$50,000 this year but we would reduce it in the future down to \$10,000. I suggest that before criticizing the Budget, a review of the comments it raised is in order. The first interesting comment came from the Finance critic of the Liberal Party of Canada, who said on March 21, 1989 that we should tax family allowance and old age security pensions, and they should be taxed back from the people with a certain income level. Yes, you heard correctly, this came from the Finance critic of the Liberal Party of Canada. He said so before the Budget: Tax old age security pensions and family allowance back from those who do not need them!

He also suggested, and we are in total agreement with him, the annual deficit had to be tackled. The annual deficit is a rather vague concept. What does that mean, an annual deficit, Mr. Speaker? The Canadian Government's annual deficit, is the amount it spends over and above the revenue. This means that for 25 years, every year, the Canadian Government has been spending, and I repeat every year, year after year, the Canadian Government has been spending more money than it took in. Over four years, we succeeded in reducing our deficit because when we came to power in 1984, we were left with a \$39 billion deficit. This means that in 1984, under a Liberal Government, we as a nation spent \$39 billion more than Government revenues. Over four years we reduced that to \$28 billion. The accumulation of yearly

overspending is responsible for our having today a national debt in the order of \$320 billion.

Mr. Speaker, \$320 billion is something much too large for many people to comprehend. Those \$320 billion mean \$3 million an hour. The national debt is growing at the rate of \$3 million an hour, or \$80 million a day. This is the problem we have in this country. And this is the legacy left us by that Party, the Liberal Party of Canada. This is what we inherited from them, Mr. Speaker, and we must deal with it.

Listening to the comments coming from the Opposition, all they say on any matter is: money, money, money, give more money away, spend more! What do we spend on in this Government, how is this Government being managed since 1984?

Of each dollar that came into our coffers here in Ottawa, 16 cents only are used for managing the country, paying for public service salaries, federal buildings, etc. Only 16 cents. On the other hand, 35 cents go to interest payments. Not to the debt, but to the interests on the debt.

[*English*]

Mr. Wappel: That is now, that was not in 1984. It has gone up. Paint a correct picture.

[*Translation*]

Mr. Vincent: The members opposite say it was 32 cents in 1984. There's nothing to boast about that. It's horrible. At 32 cents, I would be ashamed. I can understand why you went into hiding. There's nothing to boast about that.

Mr. Speaker, a lot of money, about 25 cents of each dollar, goes to the provinces. A lot of money is allotted to old age pensions, to family allowances, to unemployment insurance.

Members opposite are saying there should be cuts. We spend 16 cents out of every dollar on administering the country, and the reason there are no additional funds is that we use 35 cents out of every dollar go towards paying the interest on the monstrous debt which the party opposite started to accumulate. The opposition doesn't understand that, but Canadians listening to us do. They understand that if you earn \$20,000 a year and spend \$25,000, after twenty years, you will be \$100,000 in the red. Canadian families have no trouble understanding that. They also understand that if you have a net income of \$50,000 a year, you will still be well off even if you don't get the full amount of your old age pension or your family allowances. The claw-back will affect 4 percent of the 3,000,000 Canadians who receive an old age pension benefits. And only 2 percent will get nothing