

Supply

That is going to have to be a fundamental consideration.

[*Translation*]

Mr. Gaby Larrivée (Joliette): Mr. Speaker, I welcome this opportunity to speak to the government's Main Estimates for the current year.

However, I find it very difficult to understand why a number of opposition members have been telling us since this morning that the government does not spend enough. They complained that the government withdrew from certain programs and that it cut spending. We tabled Main Estimates totalling \$160 billion for the year 1992-93. This does not include the interest charges on the debt we inherited, an irresponsible debt that goes back to the seventies and the beginning of the eighties, a \$200 billion debt that causes all kinds of problems because of the interest which accumulates each year. I wonder how anyone could claim today that the government is not spending enough money when we realize that we have a budget of around \$120 billion, that the public complains it is being overtaxed and we are being asked to increase spending in practically all the government's current programs. We are even being asked to introduce new programs. I realize there is significant need, but people should also realize that if we want to control taxes, if we want to reduce taxes, we will have to stop increasing program spending, or at least cut certain programs and focus on the priorities.

I think it would be interesting to consider how the tax money the government will collect this year to provide services to Canadians will be spent.

I just mentioned that first of all we have an unfortunate situation where a significant share of the government's tax revenue will go to paying the interest on our debt. The debt keeps increasing annually because we do not have the money to pay the interest, let alone the principal. This means that 25 cents out of every dollar spent in 1992-93 will be applied to debt charges.

There are members who wonder why the government keeps blaming the previous government for the deficit. They say it has now been seven or eight years and we should be able to find something else to talk about and come up with other reasons.

• (1650)

Unfortunately, as we have been repeating for six, seven or eight years, this debt got out of control and is causing problems now and will continue to do so for generations. The government became so ambitious that its revenues no longer covered its expenditures. It had to borrow to pay for programs it was making available to Canadians and which it really could not afford.

The fact is that more than 50 per cent of budgetary expenditures consist of amounts paid to individuals through our programs and through agencies and provincial and territorial governments. People still complain in this House about cutbacks in transfer payments to governments and individuals. That is entirely false. These expenditures have increased from year to year. I mentioned earlier that if we go back to the 1984 budget, this was a \$70 million budget. Of course, the government was running an operating deficit of \$16 billion that year, which meant its budget was actually \$86 billion.

The fact remains that today, planned budget spending totals about \$120 billion, which means that transfers to the provinces, instead of going down, have increased on an annual basis. Of course we had to limit those increases in recent years, in this budget as well, but there again, instead of cutting spending on transfer payments, the government is doing everything it can, within the fiscal room it has to manoeuvre, to keep upgrading these transfers and respond to the public's expectations as much as possible.

Eight per cent of this budget will be spent on defence. We have taken some very substantial measures to control defence spending, and new guidelines have been issued to deal with our new obligations to replace obsolete military equipment. We had to cut defence personnel to be able to modernize our fleet. However, 8 per cent of the budget will still be spent on defence.

As for Crown corporations, 3 per cent of the budget will cover that item, while 11 per cent is allocated to services other than defence, offered directly to Canadians by the federal government. These services are part of the cost of government operations. There are officials and people who provide those services, and these people have to be paid. This includes salaries and wages. It includes accommodation. It also includes equipment for inspecting food and drugs, if we want to protect the