

*Government Orders*

ment's legacy to the people of Canada if it does not begin to take the problem seriously.

The government has proven through its non-budget that it cannot be trusted with a credit card. That card should be locked away in a safe place before the foreign bankers come and take it away from us.

[Translation]

**Mr. Pierre de Savoye (Portneuf):** Mr. Speaker, true, I talk a lot about the deficit but, you see, a few years ago I thought it was my money at stake, but I realized some time ago that it is my children's and perhaps even my grandchildren's money.

• (1635)

[English]

The hon. member mentioned many things, one of which I want to correct, if he would kindly allow me to do so. He said that one-third of the tax collected by the government is used to service the debt. Unfortunately, it is a lot worse than that. Zero per cent is used to service the debt. One hundred per cent is used for programs. We do not pay the debt and the interest just adds on. How unfortunate.

However, I have a question for the hon. member if he does not mind. I will read something that was printed in *La Presse* in Montreal. I will read it in French. I am sure he will be able to follow it through the translation.

[Translation]

"The changes to the unemployment insurance program announced in the last federal budget make unemployed Canadians bear the brunt of over half of all new Liberal cuts", as if cuts could be liberal, "and will cost the provinces \$1 billion, including \$280 million in Quebec alone".

[English]

This is the question I would like the hon. member to address. It seems that the federal government has succeeded in keeping the deficit just below the \$40 billion mark by shovelling part of the problem into the backyard of every one of the provinces. How does the member react to that?

**Mr. Morrison:** Mr. Speaker, I will address the first comment of the hon. member for Portneuf.

Where does the money come from to pay the interest on the debt? I guess this is an exercise in semantics. You can take it out of their right pocket or you can take it out of their left pocket. The fact remains it collects \$120 billion in taxes and \$40 billion goes to pay interest on the debt.

Yes, I agree with the hon. member. We are borrowing money to pay interest on the debt because we are not quite breaking

even. We are borrowing more than the interest cost. Where this will end, the hon. member knows well.

I want to compliment the hon. member for Portneuf on his original speech. I did not get a chance to stand up because everyone wanted to ask him questions. I applauded him. I thought he had perhaps become a Reformer when I listened to his economic analysis.

**Mr. Canuel:** Le Bloc réformiste.

**Mr. Morrison:** Yes, le Bloc réformiste, bien sûr.

The only part of his address that bothered me and sort of spoiled the effect was when he persisted from time to time in referring to two different countries, Quebec and Canada. If he would accept the premise that we are all one country, I would really like to see him move many seats this way and display his considerable talents on behalf of the nation because he really knows his economics.

**Mr. Ian McClelland (Edmonton Southwest):** Mr. Speaker, as the House may or may not be aware, the hon. member for Swift Current is involved in the agricultural community.

I wonder if the member could enlighten me and other members of the House of the effect on the agriculture industry of this chronic overspending and our inability to live within our means. Is it making our agricultural products less competitive in the world market?

**Mr. Morrison:** Mr. Speaker, the answer is yes, it is having a very marked bad effect on our competitiveness in the agricultural markets.

One of the main reasons that farm input costs are so high is the tax component they contain. It does not matter whether one is buying a tractor or a litre of diesel fuel or repairs for something on one's farm, the tax component if one tracks it backwards through every stage of production in many cases, I would suspect in most cases, amounts to some 50 per cent of the cost when the farmer goes to buy it from his agent.

• (1640)

If we were not being taxed to death in order to maintain this excessive debt load, then the prices of farm inputs would automatically go down and we would be more competitive on the world stage.

**Mr. Chuck Strahl (Fraser Valley East):** Mr. Speaker, I would like to congratulate the member from Swift Current again for his presentation on the borrowing authority bill and to get away a little bit from the side issues. I guess they are all important, but to me it is a side issue, whether it affects agriculture per se or affects one region of the country more than another.

I would like to focus on the borrowing aspect of this bill, the authority that it is giving the Government of Canada to borrow