

*The Budget*

veteran, the incomes test is \$15,808 a year which is more than \$4,000 a year below the poverty line.

I am not going to argue with the minister about the incomes test, whether or not we should even have one. However, would the minister agree that in terms of the incomes test it should be at least no less than and should probably be slightly more than what the poverty level is? Would he agree to that?

**Mr. Merrithew:** Madam Speaker, I know the hon. member is interested in veterans affairs. He has had a sincere interest for a very long time, and I thank him for his support when we needed that as well.

When these changes were made—and I am telling the House this and the veterans' groups—they were made after consultation based on the matter of inequities and injustices. The problem is, number one, 70 per cent were paying \$8 a day, 30 per cent were not. That is patently unfair.

The other thing is we have 5,000 veterans in beds in institutions. We have 600,000 out there paying their taxes and trying to tough it out in society itself. They were concerned about the inequities of the charges as they were applied to the people who happen to be institutionalized, because some veterans were institutionalized solely because it was much cheaper to be in an institution than to be in their own home. We thought that was patently unfair, there was an inequity, an unfairness, and an injustice and we wanted to correct that.

We do, as the hon. member mentioned, protect the income of both single veterans who are in institutions, as well as people with spouses. We treat our veterans better than any other country in the world in that regard as well.

**Mr. Benjamin:** We know that. That's not what the argument is about.

**The Acting Speaker (Mrs. Champagne):** The time for questions and comments is over.

**Mr. Benjamin:** Madam Speaker, may I ask for unanimous consent to continue the question and answer period for at least another five minutes?

**Some hon. members:** No.

**The Acting Speaker (Mrs. Champagne):** I hear that there is not unanimous consent.

Resuming debate, the hon. member for Renfrew—Nipissing—Pembroke).

**Mr. Len Hopkins (Renfrew—Nipissing—Pembroke):** Madam Speaker, like my colleague, the hon. member for Notre-Dame-de-Grâce, I want to say very clearly that the phoniest thing that is being said in this entire budget debate is that there are no increases in taxes.

Here we have a whole list of increases in taxes as a result of what this government has done to the provinces of Canada. Taxes are paid by the general public. If this government is not big enough to pay its own bills and it is going to pass them all over to the provinces, the provinces still have to get the money from John Q. Public. It is a poor way of managing the finances of this nation when you do not live up to your own obligations.

Government members are claiming that they are great financial managers. They feel that they are the only ones capable of managing finances in this country.

I want to point out that in March 1984 the national debt of this country stood at \$160 billion. At the end of this fiscal year, March 31, 1990, the national debt will stand at \$350 billion, which is an increase of \$190 billion. Approximately 45 per cent of the national debt today is attributable to the previous government, 55 per cent of the national debt as it stands today is attributable to this government that claims to be great financial managers of this country. That is one thing that should be laid on the line for the government.

For example, in 1985–86 the government's deficit was \$34.4 billion. In 1986–87 it added another \$30.6 billion to the national debt. In 1987–88 it added another \$28.1 billion to the national debt. In 1988–89 it added another \$28.9 billion estimate to the national debt, and heaven knows what it will be in 1989–90 because the figures of the Minister of Finance are not accurate and have not been accurate in recent years. It could go as high as another \$30.5 billion estimated. Those figures are garnered from the minister's own Department of Finance. This budget is in keeping with the recent Tory initiatives, its regressive taxation and its cumulative assault on the structure of social security in this country.