

Supply

years later, we have the kind of situation we have today, the Government had to act.

Since 1977, \$5.4 billion have been spent. Of this amount, more than \$1 billion—and this without improving equipment for the last ten years—more than \$1 billion or almost \$1.5 billion has gone to capital investment in an attempt to improve the quality of VIA's services.

[*English*]

We have to face the reality today. We could forget the Budget. We could say that there is no problem. It is funny that members of the Liberal Party and the NDP never talk about where they are going to get the money. They spend money, and there is no problem there. They could find a lot of expenditures. However, when the time comes to state from where they will get the money, they are silent. We do not hear anything. We do not know from where they will get will get the money. Everybody knows that members of the NDP have all that money. We have known that for many years. Members of the Liberal Party used to be a little more reasonable, but they are becoming no more reasonable than the NDP.

At the present time the debt represents approximately \$34,000 for every household in the country. Twenty years ago the debt cost was 12 cents for every tax dollar. Today it is 35 cents. That is three times what it was approximately 15 years ago.

Everyone must play a part in controlling the debt. Those who need help the most must be protected from the ravages that uncontrolled debt would cause to those who can least defend themselves. We must control the debt to protect our legacy for our children. We believe that it has to be done within all Departments of the Government, particularly where the money that we spend does not represent the purposes for which we have expended that money.

There has been much discussion in recent weeks concerning the level of subsidies that the Government has announced in the Budget. In particular, comparisons have been made with other modes of public transportation in Canada—buses, airplanes, and so on. I would like to address in the House of Commons today the question of cuts.

[*Translation*]

Mr. Speaker, it would be helpful to review some facts on VIA's performance in 1988. I think that in the public interest and in the interests of Canadians and of this House, we ought to know exactly how VIA Rail is used and why we are facing so many problems.

For the system as a whole, the operating subsidy is over \$500 million. Total subsidy payments, which include funding support for capital investments have risen to \$641 million. I said earlier that it costs the Government \$100 every time a passenger takes the train. For the most heavily travelled segment, which is commonly referred to, as my colleague said, as the Québec-Windsor corridor, the operating subsidy is \$178 million for an average of \$40 per passenger.

Mr. Speaker, further afield, transcontinental services cost \$198 per passenger, and services to remote areas cost \$212. Every time someone takes a train in a remote area, it cost \$212 per ticket.

It is interesting to note that cost recovery levels vary. The cost recovery level, Mr. Speaker, indicates our ability, when we spend \$1, to recover that \$1 from the fares paid by passengers.

In some regions, Mr. Speaker, that level is 13 per cent. For every dollar spent by the Government, the passenger spends 13 cents.

We can run a company like that. We can keep convincing ourselves that the need for service means that we should not consider cost increases. However, we must face the facts. Today, it is \$641 million. Tomorrow, it will be \$800 million. It is estimated that by the year 2000, it will cost us between \$6 to \$8 billion, without any expansion, just for normal operating and capital expenditures.

Mr. Speaker, Canada can no longer afford this kind of situation. With its expanding transportation network, Canada can no longer justify spending this kind of money.

Mr. Speaker, VIA Rail's results, it must be acknowledged today, are a disaster. Last week, I was accused of refusing to consider ridership rates. We do consider these rates. The ridership rate, Mr. Speaker, has increased by 13 per cent, which means that revenue has increased by about \$26 million. The problem is, that expenditures have gone up 15 per cent or \$94 million.