

Government Orders

That had just been another fraud on the people of Canada. They had been deceived and duped by a government that never had any intention of proceeding with such a scheme. It simply used it as a convenient vehicle during the election campaign and then dropped the whole idea once it got into office again.

That is what this bill represents. It does nothing substantive. It does nothing whatever to reduce the debt. It does nothing whatever to ensure that Canadian taxpayers' dollars are spent wisely because the government can increase its expenditures in any area and then just claim that the deficit has gone up.

Whatever the GST revenues are, they will go into this special fund. But what difference does it make, because if the debt keeps getting bigger it does not matter how much goes into the fund. It has to match and it does not match. It will not match. If they doubled the GST it probably still would not match the interest payments required on this debt. This is not the solution. It is merely posturing for the purposes of an election campaign which Canadians want just as soon as it can be arranged.

Mr. Alex Kindy (Calgary Northeast): Mr. Speaker, I find this bill something of a real farce because when we talk about reduction of the debt, reduction means diminishing the debt. Our debt at the present time is around \$420 billion. This year's deficit is over \$30 billion.

So as the hon. member said, what does this bill really do? It opens another account, an account that will simply serve the purpose of paying out money. Instead of having one account, there will be two accounts. There will be auditors, jobs for accountants, jobs for bureaucrats.

The whole problem of this government is it never faced the problem of Canada's debt in 1984. Up to 1980 the net debt of Canada was very small. It increased after the 1980 election, but before that it could be handled.

Since 1984, one-third of Canada's debt is foreign-owned. This is another of those tragedies because before that the debt was owed to Canadians, now it is owed to foreigners. We have to follow orders from the International Monetary Fund and from the World Bank. We are no longer masters in our own house.

This bill is a ploy to win elections or the government thinks it can win an election with this bill. Can it? I do not think so. Canadians have been fooled many times, but this time they will not be fooled. They will be able to see through this bill and see that this money is simply more revenues for the government for more spending.

When the GST was introduced, at that time the compliance cost to small business was calculated to be about \$4 billion.

Because of the GST we are now in a recession. I remember the Minister of Finance just a couple of months ago saying that there is no recession, that we are progressing, that we are doing very well. The reality is that at the present time in certain areas of the country we have unemployment of 20 and 30 per cent. Industry is not moving into Canada; it is moving out of Canada.

• (1600)

A recent report of a study done in Montreal shows that Canada is losing a thousand jobs a day. It is unbelievable. We are losing jobs that go out of Canada into the United States or elsewhere in the world.

Instead of addressing the problem of industrialization, of creating new jobs and new opportunities for young Canadians, we are simply bringing in a bill that says:

An act relating to the accounting of certain payments for the servicing and reduction of the debt of Canada.

It is a simple bill, only four pages. This bill is going to create jobs for accountants, for auditors, but it will not reduce one penny of our national debt.

I believe that in the next federal election this government is going to go around the country telling us that the GST serves to reduce the national debt. But, as we know, the interest payment on the national debt is around \$40 billion. How much does the GST collect? It depends on the activity of the economy, but let's say on the average around \$15 billion, a little bit more than one-third. This money will go simply to service the interest on the national debt. Whether we put it in the general account or in a special account makes no difference.