

Old Age Security Act

As well, old age security, guaranteed income supplement and spouse's allowance benefits will go up in January as stated by the Minister of National Health and Welfare (Mr. Epp). That is another group after whom we are looking, and the cost is running into billions of dollars.

One of the problems faced by the Government when trying to find money to hand out to everyone and everything including pensioners, provinces and the forestry industry is the tremendous debt that was left by the Liberal Government. I think it is important that we explain to the Canadian people just how we got into the mess in which we find ourselves. The architect of this mess and this huge debt that we have in the country today was the Leader of the Official Opposition, the Hon. Member for Vancouver Quadra (Mr. Turner), who was Minister of Finance between 1972 and 1974. That was one of the most disastrous periods of time in Canadian history. During his term as Finance Minister, the federal payroll, excluding Crown corporations, grew from \$3.6 billion to \$6 billion. During his term as Finance Minister public debt charges doubled from \$2 billion to \$4 billion. During his term as Finance Minister utilities, materials and supplies costs rose from \$347 million to \$537 million, a 55 per cent increase.

I would like to put this on the record, Mr. Speaker, so we can explain to the people why we do not have a bottomless pit of money right now. After the Leader of the Official Opposition had finished his term as Finance Minister, the Auditor General, in his report on that year, stated:

I am deeply concerned that Parliament—and indeed the Government—has lost, or is close to losing, effective control of the public purse.

That is what happened after this man had been the Finance Minister for a couple of years and that is why we are in this mess today.

The Leader of the Official Opposition inherited a \$760 million surplus when he stepped in as Finance Minister and he turned that around into a \$5 billion deficit within a couple of years. As the Auditor General highlighted, he introduced blank cheque government to Canada. There was absolutely no control over anything.

The late Senator Maurice Lamontagne, a former Minister in the Pearson Government, wrote a book which is highly critical of the economic policy of the Liberals from 1971 to 1976. This indicates another reason why we cannot look after more widows at this time. In his book Mr. Lamontagne pointed out:

Government short-term fiscal strategies were seriously mistaken throughout the period.

He went on to state:

However, the seeds of a serious disequilibrium in the government budgetary position had been planted. The Government had practically lost control over its budgetary position.

That is what we inherited. We are trying to bring it under control and we will bring it under control. According to a study done by the C.D. Howe Institute, three of the five Turner budgets actually widened the gap between the rich and the poor. That was a disastrous period of time for Canada and

explains why we do not have a bottomless pit of money right now to hand out to everyone across the country.

The cost of servicing the debt in the fiscal year 1983-84 is forecast to be \$18.1 billion, rising to \$24.7 billion in fiscal 1987-88. We, the Government, must find the money to pay that huge debt. I think the criticism on the part of Liberal Members who say we should pay more money out is very hypocritical.

By fiscal 1987-88 the cost of servicing the debt will be three times the cost it was in fiscal 1979-80 and 17 times the cost it was in fiscal 1968-69, the year before Trudeau first took office. One public accounts revenue dollar in three or one expenditure dollar in five is used to pay interest on the debt. That is why we are not able to look after everyone faster.

Mr. Benjamin: Easy for you to say.

Mr. McKenzie: Yes, I is easy for me to say, as an Hon. Member of the NDP has stated. I was here during the Twenty-ninth Parliament and I can recall the support that the NDP gave the Liberal Government at that time. Members of the NDP kept the Liberal Government in power for 20 months and they are just as responsible for this mess as the Liberal Party.

Mr. Benjamin: Quit all your crying.

Mr. McKenzie: Yes, it is easy for me to say, as an Hon. Benjamin) says that I should quit my crying. It is the Canadian people who are going to be crying when they have to pay for all of this, thanks to members of the NDP. NDP Members sitting in the back rows were not here then but the Hon. Member for Regina West was.

Another reason we cannot give out more pensions is that when the Leader of the Official Opposition took over the job of Finance Minister, real growth in the country amounted to 6.6 per cent; when he left it was at .3 per cent and on a per capita basis it was negative. There was no growth during this period and that also affected our Government's finances. In terms of real growth, we lost ground when the Hon. Member for Vancouver Quadra was Minister of Finance. He is very hypocritical today when he criticizes what is going on in the country under this Government. I have already described the record of the Hon. Member for Vancouver Quadra who presided over the country's greatest spending spree since Confederation.

Another reason we can only increase pensions in stages is because of what has been going on in the Public Accounts Committee in regard to office space. Millions and millions of square feet of office space is not required and millions of dollars of taxpayers' money has gone to pay for this phoney rental scheme. We are going to put a stop to that type of government. That is the way the Liberals managed the country's affairs over the years. Anyone who wants to know why we do not have more money to hand out to provinces or pensioners needs only to look at the Auditor General's yearly reports. Those reports did not get better, they got worse under succes-