

I were a betting man, I would bet this loophole will be closed on Thursday night.

Is it not interesting that this Crown owned company, our own oil company, should take advantage of this loophole at this point to not only saddle us with \$1,400 million in debt but do it in a way that costs us \$84 million a year in lost revenue? That is very "responsible" government.

The debt burden that we are forced to bear as a result of irresponsible government over the past few years is absolutely horrendous. Fourteen per cent of government expenditures this year will be used to pay interest on the debt.

The hon. member for Winnipeg North Centre (Mr. Knowles) says we are concerned about spending. He says this is because we want to cut back on social programs. In fact, he asked us which social programs we would cut back. Old age security payments in this country account for \$5,375 million. The interest on debt is \$6,500 million. Next year, as a result of the borrowing authority in this bill, it will be over \$1 billion more. I am sure the hon. member for Winnipeg North Centre would agree it would make a lot of sense to stop this kind of irresponsible spending, take the extra \$1 billion in interest and give it to the old people in this country who deserve and need it. That is the kind of policies we want to see.

Mr. Knowles (Winnipeg North Centre): That is what capitalism lives on.

Mr. Andre: Instead of spending \$1,400 million on the takeover of Pacific Petroleum which will not generate one job or one extra barrel of oil, let us use the interest on that money to help the old people, pensioners and veterans that the hon. member for Winnipeg North Centre is genuinely concerned about. That makes a lot more sense than taking over an oil company in some sort of empire building operation.

Mr. Nystrom: Nonsense.

Mr. Andre: The hon. member for Yorkton-Melville (Mr. Nystrom) says "nonsense". He does not want to help the elderly of this country, he wants to take over the oil companies.

Mr. Knowles (Winnipeg North Centre): Your finance critic would not answer our question.

Mr. Andre: The debt in this country is absolutely incredible. There are no plans, statements or indications as to how it is to be paid off. That \$6,500 million does not pay off anything. It is just interest. That is equivalent to one half the total income tax collected in this country. In other words, one half the income tax taken off our pay cheque goes to pay the interest on our national debt. What an incredible figure! Next year it will be larger. We have had no indication from the government of how it plans to pay this off.

Mr. Stanfield: They will bring in John Turner.

Mr. Andre: Marvellous. Before John Turner we had roughly balanced budgets. Turner was the guy who launched us on this blooming program. He was the most pathetic finance minister

we ever had. Most who came after him learned from his bad example.

The reasons given by virtually everyone for our debt position are the tremendous drop in the value of the American dollar, the American budgetary deficit, American inflation and American trade balance problems. In every one of those circumstances Canada has done worse and is in a worse position. Our deficit this year is at least four times as much as the United States on a per capita basis, and theirs is considered totally unacceptable. Our inflation is higher and our trade balances are worse. I do not see any action from the government to correct the situation.

If you looked around the world for examples of situations that resemble our economy today, Mr. Speaker, you would find that the most similar circumstance is New York city. We are using borrowed funds on which to live. We pay our operating expenses with borrowed funds. Our situation is like going to Household Finance to borrow money in order to buy groceries without knowing how we will repay it. You keep borrowing more money for groceries. The interest piles up and eventually you have had it. You borrow money to pay the interest and on and on it goes.

An individual can only do that for three or four years before he gets caught. A country can do that for quite a while before getting caught. Unfortunately the government has discovered they can do that past the next election. By the time the country has to pay for this irresponsible behaviour, the electorate will have forgotten who caused it. Therefore, the government will not have to pay the electoral price. That is absolutely irresponsible.

Horrendous as our debt is this year—at least 11.8 per cent declared deficit; that is an understatement by a long way—much of this government's spending is disguised. It is not declared but simply hidden. Year after year we have listened to the President of the Treasury Board (Mr. Andras) reading his pronouncements that spending had been cut to less than the growth in the gross national product; 9 per cent this year, 9.8 per cent last year, 8.2 per cent the year before.

When I look at the figures produced by Statistics Canada and the Canada Tax Foundation, I find that the percentage of gross national product consumed by individuals has gone up. I wonder how that is possible since government spending is less than the growth in the gross national product. However, the total portion consumed by individuals has gone up.

Mr. Lang: It is provincial.

Mr. Andre: The minister says it is provincial. The federal share is growing faster than the provincial or municipal share. It is from the Canada Tax Foundation that I discovered the notion of national accounts and public accounts. Public accounts are the figures presented to us by the government. National accounts are all aspects of government, including Crown corporations.

When you look at the national accounts, which are all of the government's operations as well as all the Crown corporations,