

The Budget—Mr. G. Wilson

Mr. Wilson (Swift Current—Maple Creek—Assiniboia): I believe that the moon is rising opposite, Mr. Speaker. Hon. Members are inspired by it.

The fact is that the national debt has increased over the last four years by approximately \$120 billion. The chart that I will circulate to my hon. doubters opposite will indicate that all but \$8 billion of that represents interest that this Government has had to find to pay interest on that past debt. Program over-expenditures in four years amount to \$8 billion in total.

This, I suggest, is a solid record of achievement. However, it is still not good enough because the debt situation has reached the point where it now feeds on itself. It is at a point where interest on interest causes the debt to increase even as the Government increases taxes and reduces program expenditures. In spite of those serious measures, the debt continues to increase. Because of interest charges on the debt—the evidence of that debt is Canada Savings Bonds, Treasury Bills and Government of Canada securities—the interest charges on those securities amount to something in the order of \$3 million per hour. That is the rate at which the national debt is growing. It requires \$80 million a day to service that debt—over \$2 billion each month.

• (1710)

This in effect places the country on a treadmill. Every effort that is made to increase revenue and to produce additional government revenues go merely to paying interest on that growing debt. Roughly 35 cents out of every dollar of government revenue that is raised go to interest. Next year without these measures it will go to 39 cents and to 43 cents, and on and on it will go.

Clearly serious steps have to be taken to deal with the debt, the deficit, and the interest problem. It has to be done because if serious steps are not taken we will soon reach the point where all government revenue has to go to pay interest on the national debt. There will be no moneys left over for the day-to-day programs of government, let alone the kind of social programs which Canadians have come to enjoy and which I think make Canada one of the unique countries among those in the world.

Much has been done over the past four years. I would like to cite some of the measures that have been put forward by this Government in achieving the change in the composition of the deficit from program over expenditure to straightforward deficit reduction and the meeting of interest.

The Government downsized the bureaucracy. Something in the order of 12,000 Public Service jobs have been eliminated. Now that was not easy, because every step of the way this Government was opposed by Members opposite. We were opposed by organized labour. The Canadian Labour Congress in fact declared war on the Government and spent over \$2 million trying to unseat it during the past campaign. That is the price a Government pays for taking action which is necessary in order to deal with a problem.

The Government promised to get rid of Crown corporations that were serving no useful public purpose. There is no reason particularly why Governments should be in the business of manufacturing aircraft so the Government privatized Canadair and de Havilland. Again there was great debate in the House and predictions of doom and gloom, in spite of the fact that something in the order of \$2 billion of taxpayers' money had already been thrown down the drain in subsidizing those enterprises. The fact is that they were sold to the private sector, and contrary to the predictions of loss of employment which we heard from Members opposite, both these enterprises are doing better than ever before and employing more and more Canadians.

We got rid of some programs which in the minds of many were questionable. Katimavik is one which comes to mind. It provoked a good long hunger strike in the halls opposite, but it was really a program of dubious value.

We have instituted tax increases along the way. We have taken measures to enhance trade relationships, both with the United States and with every other country in the world, with a view to trying to create jobs for our young people. We have encouraged the private sector through the institution of the lifetime capital gains exemption for the shares of small business. The Canadian Organization of Small Business representing some 750,000 small businesses, the entrepreneurs, the lifeblood of this country, has said that this measure is the single most important incentive toward risk taking and entrepreneurship.

At this point I think it is important to salute the small business community. On its own initiative it took advantage of the conditions the Government tried to put forth in which they could flourish. The small business sector has managed to generate an unprecedented number of jobs. The fact is that among all industrialized countries