

*Supply*

This budget could have done a number of things but all of those things would have required extensive legislative change. For example, we could start prioritizing some of our expenditures. We would have to have a real prioritizing effort. We could have a conference. We could have a finance committee meeting. We could have a session in this House about prioritizing expenditures. The fact of the matter is that we cannot afford all the government we presently have. The country does not have the sufficient ability to raise revenue, to pay taxes, to pay for all of the government we presently enjoy and pay the debt.

We will have to prioritize our expenditures. That prioritization will take legislation. It will take the elimination of programs, the rejigging and re-tailoring of programs, and the restructuring of our whole economic system from the federal point of view.

• (1530)

We could attack transfers to the provinces. The Prime Minister earlier today said there was something like \$43 billion transferred to the provinces for medicare, post-secondary education, Canada Assistance Plan and equalization. The actual out of pocket cash is about \$26.5 billion. That is a great deal of money. It is not enough to pay the interest on the debt but it is a great deal of money. We could rejig that amount of claim.

This budget does not affect those claims. It allows those claims to continue to grow in accordance with the existing program criteria. If this budget had reduced those claims to the current level of claim increase by the federal government the federal government would have shown a decrease in its deficit over a five-year period of \$9.1 billion.

We have to deal with these transfers. We have to figure out, as a country, how we are going to finance the kind of things that are supplied by government. It supplies a great many of them through joint programs with the provincial governments.

We will have to have, and we will be having, a federal-provincial conference dealing with these issues. However the federal government cannot continue forever and ever to cut the kind of cheques it has been cutting to the provinces for these programs.

This budget does not affect the \$22 billion we pay out in old age pensions, guaranteed supplements, spousal allowance and veterans' pensions. Those are still left and

they are still indexed. They are not touched. These expenditures are growing at an exceptionally high rate, about 4.5 per cent per annum. They are not touched.

Can we as a country continue to have a pension program, an entitlement program, that continues to expand the way our current entitlement programs expand and pay our bills? We will have to inquire into that. We are going to have to take a look at that.

There are other places we can go. We can go after national defence, but we are cutting national defence over a five-year period by \$5.6 billion. We can go after national defence but somewhere along the line in this very unstable world we have to be prepared to stand on guard for Canada. We do not stand on guard by eliminating all of our national defence expenditures. Does the Liberal Party want to advocate that? Does it? I am not sure and it is not sure either.

We can all attack the deficit in the grand total but we all have a NIMBY attitude. Two of our members on this side have already asked the Minister of Forestry: What about the ERDA program dealing with forestry? That is cancelled in this budget or will be cancelled or phased out. It will not be renewed. NIMBY programs, we all want our own programs. We want the deficit cut but we do not want to suffer. We do not want to cut. We do not want to attack ourselves. We want, want, want.

What we have to do is come to a very strong agreement in this House as to what we can afford with what we can legitimately take in taxes. Until we do that we will continue to have large deficits, and that cannot go on. We have to cut back on the demands we make on the public purse.

• (1535)

We have to cut back on those things by prioritizing them. We have to come to an agreement as to what items can go first and what cannot go. I have asked the rhetorical questions on a number of occasions: Would you rather have the old age pension or the CBC? Would you rather have the veterans' pension or the National Film Board? Would you rather have the GIS or VIA Rail?

Tell me where we should be. Tell me what government expenditures should be on. Would people prefer to extensively expand the program in Indian and northern affairs or say that enough is enough? How will that work with our requirements to assist native people?