

Government Orders

now talking about getting into debt. The subject is the debts of this country and its citizens. Are these small debts? Are these debts we can pay back quickly? Were these debts incurred for capital spending on infrastructures and services that will be useful to this generation and future generations as well? Not exactly.

What we are talking about is the cost of financing a deficit of \$40 billion. That is a lot of money, and not many people can appreciate what this amount represents. Put in simple terms, let us say this boils down to \$100 million per day. If we consider the bridge for Prince Edward Island, which raised quite a few questions because people felt that \$900 million was too much, this bridge would be paid for in nine days, which means that we could afford forty of these bridges, and I mean forty per year.

I suppose that could be called "looking on the bright side", but seriously, we should try and understand why we have to finance a debt of this magnitude. As the previous speaker pointed out, we are not paying the interest on our debt. We borrowed this money more than a decade ago. We borrowed, and since then, we have not paid back the capital and we have not paid back the interest incurred. We have not paid the cost of servicing the debt. Consequently, day after day, month after month, and year after year, the interest we have not paid off is being added to the debt. In fact, and most people who know something about compound interest will realize this immediately, we have a debt that is growing as a result of compound interest.

Are we unable to pay because we do not pay enough taxes or because we spend too much? I suggest we look at the figures and try to draw certain conclusions later on.

• (1600)

To begin with, the citizens of Quebec and Canada pay out roughly \$120 billion each year in various kinds of taxes. This is a substantial amount of money and all of us can understand what it represents, since it either comes out of our wages or we pay it in the form of a goods and services tax.

What does the government do with these \$120 billion? Well, it spends it on various programs which result in services to the public or in more or less durable goods. All of which means that we spend what we pay out.

The \$40 billion deficit did not come about because we purchased services or goods without being able to pay for them. Basically, the \$40 billion represents the interest on the debt which we are unable to pay.

And the debt is getting bigger and bigger. It now stands at \$500 billion! It may even be higher than that since, as the member before me mentioned, it is growing at the rate of \$85,000 per minute. In the few minutes that I have been

speaking, the debt has increased by an amount which would allow several people to live quite comfortably for some time.

Imagine, \$500 billion! Few people can appreciate what this amount represents. As you know, I am a teacher by profession and a good instructor tries to find ways to illustrate the subject matter he is teaching. Therefore, I have tried to come up with an example which would give Quebecers and Canadians an idea of what \$500 billion represents.

So, here goes. The TransCanada Highway is a ribbon of asphalt about 7,000 kilometres long stretching from the Atlantic to the Pacific. Let us assume that the TransCanada Highway has four lanes: two heading from east to west, and two heading from west to East. This is a great deal of pavement, four lanes in all. Now, let me see if I have a coin in my pocket. It is unlikely though because it must have been eaten up by taxes. What if we were to pave this highway with one dollar coins, pave it from shoulder to shoulder, all four lanes, with loonies. Would we be able to get from Nova Scotia to New Brunswick or maybe even Quebec? How about Ontario, Saskatchewan or Manitoba? What about Alberta? Would we make it through the Rockies? Would we get to British Columbia? We are talking about 7,000 kilometres of four-lane highway, and loonies are, after all, a relatively small coin and we only have 500 billion of them.

I will give the House a few moments to think about this and then I will give you the answer. Not only would we be able to pave the highway from the Atlantic to the Pacific, we could go all the way back to the Atlantic and travel an additional 700 kilometres in the opposite direction. That is what \$500 billion represents. Where are we going to get the money to reimburse a debt of this magnitude?

• (1605)

That is obviously a major problem. I have heard on the radio, seen on television, read in papers—claims to that effect were even made in this House—that Quebec's sovereignty poses a serious threat to Canada. I will say this. The real threat to Canada, let us not forget it, is this absolutely enormous debt, this crushing debt, which is going to ruin us all if we do not make the right moves.

Quebec's accession to sovereignty, I might add, would probably be a good time to change the current rules of the game and provide a golden opportunity to all parties to review these rules and finally deal with the public finance problem. Our public finances have obviously not been managed properly for decades and, as a result, an extremely heavy burden will be passed on to future generations.

They will have a heavy burden to bear. We already do. What is the per capita share of this burden? How much does each and every one of us owe on the public debt? Some say \$16,000,