

Supply

financial unsustainability of social programs currently monopolized by government. They are unsustainable if we have to borrow money to pay for them, which is exactly what successive governments have done for the last 25 years.

Thanks to such irresponsible management the federal debt is now over \$530 billion and provincial and municipal governments owe another \$190 billion. Instead of providing peace of mind these programs and their associated debt have left Canadians feeling anxious about this, about their and their families' futures.

Why have Canada's debt and deficit left Canadians feeling anxious and insecure about their futures? The reason Canadians feel such concern is that after being deceived for so long, led to believe that government would look after them and take care of them from cradle to grave, they have come to realize they are now relying on a bankrupt state. They have come to realize the interest payments on the debt have become so large and are growing so fast that it is beginning to crowd out the social programs that have protected them for nearly a generation.

The greatest risks to Canada's social fabric are the threats of annual deficits and a rising national debt which over the past 30 years has crowded out many legitimate expenditures of governments.

We have borrowed so much over the last 25 years and accumulated so much debt that all the money we borrow this year will be used to pay interest on our federal debt. When it comes to government there are no free lunches. In fact compound interest make the ultimate cost of what government is borrowing very costly indeed; in fact more costly than if we had paid for them outright, if we had paid our own way to begin with.

Effectively interest payments are crowding out programs. Money that could be used to help Canadians is simply not available to us because we have to pay our interest obligations. Interest payment on the debt is now the single largest expenditure item for many governments, depleting resources for public investments in health, education and infrastructure. As we continue to borrow, our debt increases as does the interest, leaving even less money for essential programs.

Where does all this debt and compound interest leave Canadians? It leaves us paying more taxes while at the same time receiving fewer services. Canada's debt burden is both eating up a substantial portion of current tax dollars and reducing the ability of all levels of government to provide essential social services. Can we understand now why Canadians are concerned?

• (1510)

How did we get into this mess? Whose human error or ignorance while working with ground support has brought us to a place of flying empty at 30,000 feet? Who could the passen-

gers of our drifting air Canada hold responsible for bringing them into such a dangerous predicament?

It just so happens the ground support staff has been promoted to captain and crew. Is that not a comforting thought? The very ones who got us into this mess are now in control. Meanwhile, Captain Chrétien sails serenely on committing ordinary Canadians to a perpetual stream of more interest. Ironically it was the Trudeau Liberal government of which Mr. Chrétien was a member and a one-time finance minister—

The Acting Speaker (Mr. Kilger): Order. I remind the House that during any intervention while referring to any member of the government cabinet we refer to the position or the office. In this case it is the right hon. Prime Minister or the Minister of Finance as opposed to the individual's name.

Mrs. Ablonczy: Mr. Speaker, ironically it was the Trudeau Liberal government of which the present Prime Minister was a member and a one-time finance minister that first sold Canadians on the myth that big government could solve most of our problems. What they never made clear was that they would pay for this by heavy taxation and borrowing from future generations.

For more than a quarter of a century Canadians have been encouraged to increasingly rely on government and they have done just that. The disastrous consequences of these Liberal policies are now threatening the well-being of society.

As a co-pilot and former ground support staffer, the failure of the human resources minister to reform social programs to make them target better and cost less is a failure that all Canadians will pay for in the form of higher taxes.

We need to fight the debt and deficit not to hurt people but to help them, to free them from the chains of insecurity, the links of which are made of debt and interest payments. The welfare state is sinking under the weight of its own waste, inefficiency and disabling dependency.

Fundamental reform and renewal of our social security framework are absolutely imperative if we are to have any hope of sustaining our existing high quality of life, providing Canadian youth with opportunities rather than simply an unmanageable financial obligation, and continuing to help the poor and needy among us.

The government intends to continue to borrow billions of dollars every year. Extra interest must then be paid on each year's borrowings. Each extra dollar in interest is a dollar taken out of our economy, a dollar that could have been used to expand a business, take advantage of trade opportunities or hire an unemployed Canadian.

Let us imagine what Canadians could have done with the over \$40 billion we had to pay out of our pockets in interest last year alone. Let us imagine the health care it would have paid for or