

*Government Orders*

**Mr. Attewell:** Not really, Mr. Speaker, although I do not think the hon. member for Ottawa West really has dealt with compound interest. She does not seem to agree that the Liberal party is responsible for \$120 billion of the \$150 billion growth in national debt over the last five years.

**Mrs. Catterall:** Mr. Speaker, in the last five years this government has had an opportunity through increased employment, declining interest rates, a better world economy and a trade surplus like we have not enjoyed for over a decade to deal with that deficit, not to continue compounding it.

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, I have been just outside in the lobby listening to the debate of my colleague for Ottawa West. She has made a lot of sense, as usual. She made a lot more sense than some of the comments from the other side.

**Mr. Richardson:** That makes two of you in this room who think that.

**Mr. MacDonald (Dartmouth):** We have the western peanut gallery hurling insults over here. If the hon. member would like to speak, I would gladly cut my comments short so that we could listen to his impassioned plea about the deficit.

One of the things I would like to ask my colleague concerns this government's absolute apoplectic pursuit of problems concerning the national deficit. I, like many Canadians, listened during the last election campaign and over and over again we heard the government and ministers of the Crown telling us that the deficit was under control. We heard that there was no problem with the deficit, that this government had spending under control. Every time we turned a corner we heard that every promise of the government during that campaign was not a promise, it was a spending commitment and that it had all the funds necessary.

I would like to ask my colleague from Ottawa who understands the pulse of Canadians very well what she thinks about this absolute flip-flop the day after the last general election. On one hand we had no problem with the deficit and the next day we had a complete preoccupation with it.

Does she think this group opposite was completely truthful in its campaign rhetoric?

**Mrs. Catterall:** Mr. Speaker, I am glad to have the opportunity to answer that question concerning sacred trusts and a commitment to child care. All of these things were budgeted for and suddenly we did not have the money for them the day after the election. I think it is clear that Canadians have a litany of broken promises and broken commitments.

I just want to say to my colleagues who persist in perpetuating a myth that I do not understand compound interest that anybody understands the way to avoid paying interest on interest on interest on interest is to start paying off your debt, not sell your assets without paying off your debt.

**The Acting Speaker (Mr. Paproski):** On that basis, questions and comments are now terminated.

On debate the hon. member for Calgary Southeast.

**Mr. Lee Richardson (Calgary Southeast):** Mr. Speaker, I think it might be helpful to members, just so that they do not have to keep bringing in the heavy-hitters to balance their speeches, to give a little background to explain how we got into the situation that we are in today.

The member who just spoke wanted to walk away from the fact that the Liberal government in 1984 left this country with a \$200 billion debt. Few Canadians have a real grasp of the magnitude of \$200 billion. It is an awful lot of money.

The debt increases every year. It continues to increase, and not just until we get to a point where we can bring in enough revenues to pay not only for all the programs Canadians enjoy, but to pay the interest on the national debt. That was something which the hon. member for Markham—Whitchurch—Stouffville pointed out so well. I was delighted with his comments. He attempted to explain, before he was rudely interrupted, compound interest and how this \$200 billion that our government inherited in 1984 would have grown by \$120 billion to be, today, \$320 billion if we had done nothing else.

But that is not the largest part of the problem. To be saddled upon entering government with a debt of \$200 billion was not enough of a legacy for these Liberals to leave behind. After 20 years of profligate spending and waste and increasing expenditures every year for 20 years, they left us in a position in which we had built-in structured expenditures in this country to pay for all the worthy and worthwhile programs of government. I refer to seniors' pensions, family allowances, payments to those in need, as well as the maintaining of government