

Supply

I fundamentally disagree with it, I would say to him that in that sense he has been very consistent. I will have further words about the Liberals, because they have other viewpoints on deindexation which have been expressed before. We could spend a long period of time debating that.

However, I know that the Hon. Member is a precise man. I think he should take a look at the motion which is before the House. I hope he has read it. In fact, I went to the Table to ensure that there was not a printing mistake in the Order Paper. The Table gave me a signed copy, which bears the signature of the Hon. Member, so I know that the motion is exactly the same in the Order Paper as the motion which he put forward last night for debate today. I do not know if he has read it, but I will. It states:

A Progressive Conservative Government intends to re-establish the full-indexing of old age pensions to the cost of living beginning January 1, 1985.

If he took a look at the Budget, he would see that the plan is to come into effect on January 1, 1986. So what he is asking the Government to do is exactly what the Government is doing. I hope he will vote for the very thing which the Government is now doing.

Some Hon. Members: Hear, hear!

Mr. Epp (Provencher): I will try to help the Hon. Member out of his dilemma. I really think that what he wanted to talk about was January 1, 1986.

Mr. Young: You are right.

Mr. Epp (Provencher): Thank you. That is between friends. I am sure that he and other Members would want to commend the Government for having done exactly what they have asked the Government to do.

The only other point, which is more critical, that I would like to make on the motion, is that it is exactly that kind of imprecision that creates fear among senior citizens. It is from that point of view that I would suggest to the Hon. Member that he should be very careful when he puts forward a position or a point of view to make sure that it is the entire story.

When he asks for petitions, he should give senior citizens, in respect to them, the full details of the issue which is facing not only senior citizens but the entire Canadian society. If he does that and if he still receives the same response, I will respect that response. But I would ask him, please, not simply to put forward to a group of people, who need the explanation, a petition which is against the Government and its proposals and ask them to sign it. I do not think that is of any great benefit to those who sign it and whose names are then used in the House. It will not change the situation as far as clarity and understanding are concerned.

I know the Hon. Member will say that the motion was taken directly from the Conservative election manual. That is correct. I am pleased that he quoted the manual correctly. However, it does not do anything for clarity in this debate.

Let us look at the situation as Canadians, not as New Democrats, Liberals or Conservatives. Here is the situation. In

February of 1984 when the Lalonde Budget was brought down, it was projected that the annual increase in the deficit which Canada had been experiencing would turn the corner and start to decrease. In addition, it was projected that the trend would continue into the 1990s. But when we became the Government, elected by the Canadian people, those projections and what was in the public domain in terms of public information had no relationship to the reality of September 4, 1984. In fact, the reality was that the deficit, which had been announced and projected even during the election campaign, was up to \$5 billion more. But even that possibly could be controlled. What was even more worrisome was that the projections for the annual deficit were so large that the very ability to maintain the programs for which the Hon. Member works and fights as do I and other Members of the House, was being seriously jeopardized by the cost of servicing the debt. For example, next year the debt was to go to \$38 billion on an annual basis. By the end of this decade it was going to be \$40 billion on an annual basis. By the early 1990s it was to be \$50 billion. So before many years hence we, as a Canadian society, were going to have a debt of \$400 billion.

● (1550)

Let me put that into perspective, if I might, Mr. Speaker. At the present time, most of the cost of servicing the debt leaves our shores and goes into bankers' hands. I am sure the Hon. Member is not comfortable when I say that his proposal gives more to the bankers. I am sure he never thought he would ever have to defend that position. But if the Hon. Member looks at the situation clearly, he will see that we the Canadian society, are spending today from the federal share of health care, approximately \$11 billion on an annual basis. He will see, for example, that on old age pensions and on the Guaranteed Income Supplement we spend another \$11 billion. Therefore, the Canadian society spends approximately \$22 billion on those two absolutely essential programs. But we are spending more on the servicing of the debt right now than on either of those programs. It is now up to \$25 billion.

If we project just four or five years down the road, Mr. Speaker, and we look at the debt load which we are going to have not only as the Government but as the Canadian society, and if we annualize that at a 10 per cent interest rate—which I think most Hon. Members in the House would say is a reasonable number to project in view of the present circumstances—then the cost of that debt on an annual basis will have jumped to \$40 billion.

The very relationship to the programs we want to maintain as Canadians, if it is not jeopardized today, it surely will be jeopardized in four or five years down the road. I cannot change that fact in any way I want. The debt is not a benign giant but rather something which the people of Canada asked this Government and this House to deal with. I have said as openly as I know how, in Question Period and in other locations, that had I been in other circumstances, I would obviously have opted for other options. But I say to Hon. Members that today more than 50 per cent or thereabouts—let us use that as a base figure—of our expenditures at the