

Oral Questions

services are going to have to be cut, and the minister knows that.

It is not a small amount. If we look at the cuts to health and to post-secondary education, the accumulated cuts come up to some \$11 billion. Now the provinces and territories have to shoulder those burdens.

My question to the minister is this: Would he be brave enough now to go today and explain to students who will be denied post-secondary education, explain to seniors who will not get a hospital bed and explain to children standing in line at a food bank what these cuts are going to mean and what this budget is going to do for them?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not know whether my friend can see from that far away, but I have a headline here which her House leader would probably recognize. It states: "Cut transfer payments to reduce federal debt Vander Zalm urges".

Some hon. members: Oh, oh!

Mr. Speaker: The hon. minister.

Mr. Wilson (Etobicoke Centre): Mr. Speaker, the point that Mr. Vander Zalm makes and the point that has been made by other provincial treasurers is that they have a stronger fiscal position than the Government of Canada.

Mr. Crawford: Better management.

Mr. Wilson (Etobicoke Centre): My friend across the way, old fog-horn, says: "better management". Better management grew a debt that was \$18 billion in 1968 to \$200 billion at the end of 1984-85. The interest payments on that \$200 billion worth of debt accounts for 80 per cent of the deficit this government has incurred in the last five years. That is the management that got us in the mess today.

Ms. Audrey McLaughlin (Yukon): Mr. Speaker, we have seen a lot of accusations about this budget, but to see that Fantasyland is moving east will come as a surprise to a lot of Canadians.

On a more serious note, on February 21, 1945 there was the battle of the Siegfried Line during the closing

days of the Second World War. It was when the Canadian Army cracked the Siegfried Line, the last major line of Nazi resistance. Unfortunately a lot of our forces perished at that time but many survived.

My supplementary question is for the same minister. As we heard, the minister has increased fees to veterans living in long-term care institutions, people who have served their country. He is asking veterans to pay more for their meals, more for their lodging and, on top of that, he is taking another \$18 million away from those veterans who want to live independently.

This minister calls this a management initiative. I would like to ask the minister if he would not take a different management initiative, cancel his \$14 million GST propagand campaign and give it to the veterans.

Hon. Gerald S. Merrithew (Minister of Veterans Affairs): Mr. Speaker, I think it is important that we explain what has been done in the changes here. Obviously two or three issues have been misinterpreted.

First of all, none of the disability pensioners who are in hospitals or any type of institution will lose or have to pay any additional dollars because of this change.

• (1440)

It is important to recognize that there are 1,300 veterans in Canada who are not paying anything while all the rest of the veterans in Canada are paying. Obviously we are going to correct that inequity. The veterans agree with that, that they cannot be seen not to pay the \$240 while all the rest of the veterans are paying. Veterans understand that. They do understand fair play.

The changes we brought in will bring this in line over a period of two years to what is being charged in the lowest rate of all the seniors in Canada, that is \$420 a month.

Just let me explain what they charge in Saskatchewan. It is not \$420 a month but \$616. In the province of New Brunswick they charge \$4,770.

Mr. Speaker: I am sure these facts are important. Perhaps they should be delivered to the House in another way.