

economy that is sound, that will attract investment, and that will create jobs and prosperity.

That is important. The GST gives us significant income every year. It is also good for business. We know that both those who produce and sell in Canada and those who produce and sell abroad benefit with the GST compared to the former federal sales tax. Mr. Speaker, you will remember the old federal sales tax that was in effect for 65 years. For 10, 15 or 20 years, people had been saying that it was a bad tax for the economy. It helped imports and hurt exports, it should be abolished, it had 22,000 exemptions and applied to only 75,000 businesses across the country. It was a tax that had to be changed. We were the only country in the world that still had such a tax. We had to get rid of it. The best thing would have been to get rid of it completely and not talk about it. But due to the incompetence of the previous Liberal government, we had a debt to pay. When you have a debt to pay, you must have income. That is why the GST was implemented. It is a reliable source of revenue and needed to stop the haemorrhaging that we inherited in 1984.

• (1530)

I often hear people on the other side of the House say that we should stop talking about 1984, because it was seven or eight years ago. I would prefer not to talk about the debt if there were none, but there is one. We must tell the people where we are. To explain where we are, we must see where we came from. The starting point is what we inherited. Well in 1984 we inherited a huge debt. Over the years, we have had to pay interest on that debt. Over the years, we have turned a \$16-billion operating deficit into a \$10-billion operating surplus. Even if the opposition shouts and makes a fuss, that is a reality we have had to live with and this government is working on. It is meeting its responsibilities and doing things—

Mr. Speaker, you are indicating to me that my time is nearly up. But I would like to emphasize the debt problem and what goes with it. It means that this year the federal government will spend \$41 billion on interest. On interest alone, we will spend \$41 billion this year. The biggest expense item in the federal government's whole budget is the interest on the debt. Even with lower interest rates, it is more than total spending for old age security pensions, family allowances, unemployment insurance and veterans' pensions. My point is this: can you imagine how lucky and pleased we would be to govern if

we did not have the \$41 billion interest burden to pay? Mr. Speaker, can you imagine how much more we could do for Canadians if we did not have to pay \$41 billion in interest on a debt that we did not even create but that we inherited, and I do mean inherited?

Even if the hon. member opposite does not like it, in Trois-Rivières where I come from, we have a saying, "The truth hurts." He looks offended, so that means it is true.

**Mr. Milliken:** I am shocked.

**Mr. Vincent:** Truth is often shocking, but one must live with it.

That being said, we have taken difficult measures in almost all sectors, almost all departments, to streamline government operations, to bring government operations in line with Canadian economic reality. People often complain that the federal government spends needlessly and does things it should not. They are right, Mr. Speaker. On the other hand, I defy any Canadian family or business to demonstrate that nowhere does their budget reveal expenditures totalling 1 per cent which are considered an honest mistake, an unconscious extravagance. One per cent is a very small sum, in a family or business budget which might have been used differently.

If one takes for granted a 1 per cent margin as acceptable, I would suggest that he or she refers to the federal government estimates which one might set, for our purpose, at \$150 billion. Mr. Speaker, 1 per cent of \$150 billion is \$15 billion. I therefore say to Canadians that, unfortunately, 1 per cent of government expenditures probably escape our control for one reason or another, for lack of resources or because monitoring costs in the 40 departments, in all agencies and across Canada would be greater than the sums involved. We are still talking of \$15 billion, a large sum for Canadian taxpayers. It is easy to spell out \$15 billion, but if we were writing the figure, how many zeros would be required? It would be too long. So we agree that \$15 billion is a lot of money.

However, it is a reality which one must accept. This is part of an enormous system in a huge country which must live within its means and make do with whatever good or bad we do have. In closing, I hope that my hon. colleagues from the opposition—whether from the Liberal Party or from the New Democratic Party—will think positively for a change, instead of criticizing all the time, while never coming up with a solution.