

*Government Orders*

charges, just interest. The debt rose \$152 billion in that period.

In other words, the only thing we had to do over the last five years was to borrow money to pay the interest on the debt that the Grits left us with. That is exactly the situation today.

**Mr. Milliken:** How much did taxes go up?

**Mr. McDermid:** The member is talking about the debt. He wants to talk about the debt and I am giving him the figures. There was \$154 billion paid in interest payments and the debt increased \$152 billion.

**Mr. Milliken:** You raised taxes.

**Mr. McDermid:** That is right. Because we want to pay for programs. You did not. You were borrowing \$16 billion a year to pay for programs. You were not even collecting the money to pay for the programs.

Today there is a \$9 billion surplus on programs and income. The member goes "Oh". This is a Liberal accounting, "Oh, oh". I love it. That is what the finance ministers did. I sat in here and watched Chrétien and Lalonde. I watched them all go, "Oh", including their leader, only he just shrugged. I watched all that. That is Liberal accounting. Now we have a finance minister who understands the problems of finance and is doing something about them. No question about it.

Canadians have one of the highest standards of living in the world but we cannot sustain it and we cannot improve upon it if we live in the past. We have to look to the future. That is what this government is doing. If Canadians want to have the future on their terms, there are investments to be made and there are bills to be paid now.

**Mr. Whittaker:** Just scrap it.

**Mr. McDermid:** I have been picking on the Grits, maybe it is time I went after the NDP. We understand the NDP philosophy perfectly, Mr. Speaker. Spend now and somebody, somewhere down the road, will pay, probably when we become a Third World country when the IMF rolls in here and we start begging around the world for help with our debt problem like other countries are doing today.

That is what the socialists would do if they ever got power. Thank God it is not going to happen, ever. Never

in this country will the socialists see power because the Canadian people see right through them. They have seen the problems that socialist governments throughout the world have created. They are now turning to Conservatives. They are now turning to governments which have fiscal responsibility and that is what we have in Canada today. Thank goodness we do.

• (1810)

This country has to move ahead. We must be competitive producers of goods and services. We export 35 per cent of what we produce in this country. We are a trading nation. We cannot be like the New Democrats who want to stop the world and get Canada off. The NDP wants us to live on this little island all by ourselves with huge tariff barriers to protect this sector and protect that sector. The New Democrats want to tax our industries so high that we cannot compete with our competitors in the United States, in Asian countries and in Europe. That is what they want to do.

We cannot live in economic isolation. We just cannot do it, as much as the NDP would like to. The international marketplace is the ultimate judge of our products, but our financial policies are under scrutiny as well. Twenty-four hours a day there is a market open somewhere in the world and people watch Canada and what we are doing. There is no room for wishful thinking. There is no alternative to responsible management.

Canadian enterprises will make their way in the world economy by becoming smarter, faster to adapt—as you know, things are changing very rapidly in this world—more efficient and more productive. If Canadian firms are to provide the growth that we expect from the Canadian economy they must also have a tax system that places them on equal terms with those of other countries with which we compete, and that is what this is all about.

The goods and services tax is a sign that we are truly serious about maintaining and improving our international competitiveness. It is a sign that the government is serious about giving our business sector the tools it needs to do the job that we expect. We are taking action on sales tax reform now because we can no longer afford the destructive and wasteful impacts of the existing tax, which both the opposition parties say we have to get rid of and have for a very long time. They have always said we have to get rid of it.