

in the economy, and the Government cannot play its role in enabling individual Canadians to stand on their own two feet.

I think the question of the public debt, which is the most important theme addressed by this Budget, is fundamental to all Canadians and fundamental to achieving the social goals we have set for ourselves as a society.

How did Canada acquire its debt? Like any family or individual might have done, Canada acquired its debt by living beyond its means. The national debt is simply all of the yearly deficits added together. The deficits are simply the difference between the amount of revenue the Government receives and what it spends.

Although we now receive as much revenue we need to pay for program expenditures, we have another expenditure which is creating our deficit, that is the cost of interest on the national debt.

Only 20 years ago Canada had no deficit. Our total debt after an entire century of Confederation was only \$18 billion. The cost of servicing our debt was well within our means.

During the 1970s and the early 1980s we spent freely. Regardless of the question, the answer was always government. The problem of yearly deficits began in these years. The deficits were relatively small in the beginning, but year after year they grew in size and began to take their toll.

In 1984 when we came to power, the \$18 billion debt had risen to nearly \$200 billion and the annual deficit, the shortfall between revenues and expenditures, was more than \$38 billion. By then Canada had built into its public finances a self-propelling force that threatened to undermine our valued reputation for fiscal prudence and responsibility.

The sad reality of debt is that it feeds on itself. Each year more effort is required from the citizens to produce new revenues that merely go to pay the interest on a growing debt. It places the nation on a treadmill.

We must ask ourselves: Should this enormous debt be our legacy to future generations? Let us be clear about what it means if we continue year after year, government after government, to borrow and borrow just to pay interest on the debt. We could be paying in the years ahead for programs and policies of yesterday.

### *The Budget—Ms. K. Campbell*

Not long ago there was an advertisement in *The Globe and Mail* by an advertising company that was expressing its particular concern about the national debt. Of course, advertising companies are very skilled at putting forward their views in vivid images. I think the image in this advertisement was extremely effective. It was a picture of a baby with a ball and chain, and that ball and chain are the national debt. Unless we address the national debt, we have put a fiscal ball and chain around the legs not only of today's infants but of infants yet to be born. We would be paying in years ahead for programs and policies of yesterday. Our government resources would be spent to pay the interest on our commitments of the past rather than addressing the problems of today or the challenges of tomorrow.

We live in a very changing world, a world in which the challenges of tomorrow are in many ways unknown to us.

One of the main themes of our Throne Speech was a concern for the environment. More and more industrialized countries are coming to recognize that many of the processes and practices that they rely upon are inconsistent with the survival of the planet. We will have difficult choices to make in the future.

We may have additional environmental catastrophes to deal with in order to clean up the environment. We look at something like the oil spill in Valdez, Alaska and recognize the limitations of our own ability to deal with those situations. We may have to make difficult choices with respect to technologies, with respect to products, with respect to sources of energy. These choices, in order to protect our environment and our planet, may require us as a country to engage in considerable expenditures. How tragic if our children discover that 50 cents or 35 cents of every tax dollar they send to their government to engage in those activities which are part of the national purpose are devalued because most of those tax dollars are required to pay a national debt incurred by their parents and grandparents. That is a legacy we cannot leave to our children.

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We have a changing workforce. Although it has been an integral part of our Government's policy to provide training and training opportunities for a changing workforce it has also been an integral part of that policy to call on the private sector to play its role. Nonetheless, opportunities for training and our commitment to education for all our people throughout our lifetime is essential in order for us to be able to meet the challenges of a