

*Borrowing Authority*

not tell us what it wants it for. The Estimates for the next fiscal year were tabled last week and they show the largest expenditure ever to be undertaken by a federal Government, an expenditure of \$88.9 billion; but that will probably increase when all the Supplementary Estimates are in to \$100 billion.

Just think of those figures. We are talking about a borrowing authority of \$19 billion and projected expenditures that could go as high as \$100 billion. In all of this, the Government refuses to explain to the people of Canada, through their elected representatives, how they are going to raise and spend those moneys. At the beginning of parliamentary history, the nobles held King John accountable to tell them how he was going to spend the moneys of the realm. If he had not done so they would probably have said "Off with his head," and perhaps that is the only way we can bring this Government to be accountable for the moneys that they control now and about which they refuse to explain to the Canadian people, defying parliamentary tradition and denying Parliament the most basic information for which Parliament exists. What that is doing is downgrading, humiliating and demeaning this institution.

It also creates another very worrisome situation, one which I am sure all Hon. Members are running into. The business community hears the news that the Government is after another \$19 billion is spending authority and that its estimated expenditures for the year ahead will probably amount to \$100 billion; and the signals that go out are inflationary signals. The business community is asking where the Government is going to go for this borrowing and whether it will create a logjam in the capital market.

• (1130)

The concern they express to me and I am sure to most Members on this side, whether they do to Liberal Members or not, is that they are afraid that the battle for scarce capital is going to be reactivated, that that battle will once again be fought unfairly, with priority being given to the public sector requirement while the private sector is left to scramble for what is left.

What that means is that that scarcity of capital will have the inevitable result of pushing rates higher. That is the fear of the business community, whether small business or large business. That is what is being experienced in every part of the country. The instability and uncertainty that has been generated by this borrowing authority is that once again on the horizon we see high interest rates looming because of the way the Government is trying to enact fiscal policies in this country, trying to transact them in a way that is deceptive to this House and to the business community at large.

**Mr. Rod Murphy (Churchill):** Mr. Speaker, Bill C-143 which is before us at this time is the fourth borrowing authority that this Government has introduced in the last eight months. On June 8, 1982 Bill C-111 granted the Government \$6.6 billion. In June, 1982 Bill C-125 gave the Government an additional \$7 billion; and in November, 1982 Bill C-128 gave it an extra \$4 billion. The legislation before us today will grant

the Government another \$19 billion. For what? Of that amount, \$14 billion is completely unaccounted for; \$14 billion for a budget which we have not yet seen in this House of Commons.

Like previous speakers on this legislation, I deplore the fact that we are being asked to authorize great sums of money without any direction from the Minister of Finance (Mr. Lalonde) or the Cabinet as a whole as to where the money is going. The main reason for having a Parliament throughout the history of England and of this country is that the taxpayers, the citizens of the country, have a right to say what taxes are levied, what expenditures it is allowed to make. For us to pass this Bill without that rationalization and without any explanation by the Government would be defeating the very purpose for which a Parliament is set up.

We have had three budgets in the last 14 months. The November, 1981 budget, although labelled as a soak-the-rich budget, did anything but that. It was only a mechanism for shuffling the loopholes; close one loophole and open others.

The taxes of those earning the most in Canada were actually reduced as a result of the measures in the November, 1981 budget, and significantly so. Those in the top tax brackets of this country were told that their federal taxes would be reduced from 43 to 34 per cent. The decrease in their federal tax affects what happens provincially and this becomes important in terms of what they actually pay. Therefore, they pay significantly less to the coffers both of the federal and provincial Governments.

In June, 1982 the then Minister of Finance introduced a second budget. That budget can basically be called the six and five budget. The main purpose of that budget was to impose six and five increases on salaries of federal workers, old age pensions, Family Allowances and the pensions of retired public servants. As is so often the case, the Government failed to follow through on its six and five legislation when it came to its friends. This Government has one set of priorities, rules and laws for the average Canadian, but the political appointees, their friends, will get more than six and five per cent increases.

I wish to quote from an article in the Saturday, February 26, *Globe and Mail* entitled "Some federal agencies manipulate 6 and 5":

Members of the board of the National Energy Board will make an average of \$72,668 in the year ended March 31, 1984, up 10.8 per cent from the fiscal 1983 level. In fiscal 1983, they received an average 18.6 per cent raise, bumping up their income over two years by about \$17,400.

That is not six and five. We have six and five for janitors in the Government service and for old age pensions, but not for Liberal appointees to the National Energy Board. Referring to the Atomic Energy Control Board the article states:

Part of this budget increase will go to fund a 10.7 per cent rise in average fiscal 1984 management salaries, to \$59,340. In the current year, salaries rose 13.8 per cent.

It states that the Northern Pipeline Agency will give its managers an 11.6 per cent raise, to \$71,915. The article also refers to other Government agencies.