

Borrowing Authority

public trough. That is seven times this session; four times last year, twice in the last six weeks—fiscal conduct that no rural bank manager could or would tolerate. Yet we, Parliament, can do absolutely nothing about it except wave our arms and point, and hope the press will pick up what we are saying and tell the voting public. For certain, as long as the benches of sheep opposite bleat on demand as their political masters require of them, no matter how just our concerns for the public purse, no matter how true our fears for the public welfare, it does not seem as if it matters very much. We may feel ourselves to be passengers on an out of control roller-coaster, but as long as loyalty to the Party opposite outweighs loyalty to the electorate, all we can do is sit back and enjoy the ride.

All this may sound like nothing more than melodrama, but let me point out that never before in our history has a Government which, six weeks before, had borrowed \$19 billion come back for more. Never before in our history have we had a deficit of \$30 billion and a Government which, for all its trying to put the best face on things, cannot forecast much less for the foreseeable future. Never before have we had double-digit unemployment coupled with such runaway Government spending that the administration is helpless to do anything about it. Never before have we had a Government that has produced a slogan like six and five, which it waves around like the sorcerer's apprentice waves his magic wand, at the same time as it is unable to curtail its own spending increase below 12 per cent for the current year. Never before have we had a Government which has saddled its electorate with a gross debt of \$160 billion to \$165 billion, compared to \$31 billion when it took office. Never before have we had Government spending that amounted to 26 per cent of the Gross National Product.

Never before, in short, have we had an economy so completely out of control of the Government whose responsibility it is. Never before have we had a Government whose supporters must be held more liable for their continued support than ever they would for exercising their freedom of thought on the electorate's behalf.

This is not just another in a series of Government Bills; this is an acknowledgement of financial and fiscal defeat. This is an attempt to acquire enough voting authority to render the Government independent of this House and of its control until after the next election. It is an attempt to render us out of sight and out of mind.

I remember that when the last war bonds were maturing—in 1960 or thereabouts, I think—the late Mr. Diefenbaker was Prime Minister. The commentators were tut-tutting that the Government would have to roll the bonds over into a new issues; it just could not afford to cover the cost of redeeming them. I suppose the amount involved was a few million dollars, a sum the present Government would think nothing of blowing, just to save its face. After all, “what’s a billion?”

Its outstanding unmatured loans and securities, which by the way stood at \$21 billion when the Prime Minister (Mr. Trudeau) took office, amounted to some \$115 billion as of the end of March. The cost of interest alone in fiscal year 1983-84 is forecast to be \$17.6 billion. What it will actually turn out to be is anyone's guess. We have not had a Minister of Finance

from the Party opposite whose estimates could be relied upon since before the Hon. John Turner, and that was about ten years ago. No nation should be expected to suffer for a decade or more not being able to trust what the Government is saying about its own finances. This must be the ultimate condemnation.

● (1230)

There is no national fiscal index that I know of which has not gone up during the Government's custodianship by less than 250 per cent. Unmatured loans and securities are up 458 per cent. The net national debt is up 640 per cent. The interest on the debt is up 1,121 per cent. Financial requirements are up 1,273 per cent. Spending on a national accounts basis is up 693 per cent. And to top it all, the deficit is up 6,261 per cent.

Hon. Members opposite may try to persuade themselves that figures like these do not mean very much because of the difference in the levels of interest rates between now and the beginning of the Trudeau agony, always accepting, of course, that no blame for that situation could possibly be attached to the Government in question. They will agree, however, I am sure, that those rates in 1979-80 were in the same range as they are now, and as the Government would have us believe they will be in over the next few years. Yet the interest costs it projects for 1986-87 will be two and a half times what they were during what people are calling “The blessed blue blip”, and 16 times what they were before the present Prime Minister took office. And here we are back at the pump asking for another \$14.7 billion. That is truly obscene!

I have already gone over all this ground before during debate on one of the half dozen other recent borrowing Bills. Running a Government on credit does not come free. First and most obvious is the cost of the interest payments. This year that is going to cost Canadian taxpayers \$1,700 each. That amounts to 4.6 per cent of our entire Gross National Product.

Then there is what it does to our fiscal flexibility. In bad times Governments love to be Keynesian because Lord Keynes provided a great justification for spending when times were tough. The trouble is, when you have been a counter-Keynesian during the good times, bought votes like crazy and borrowed to pay for them, you do not have much room to manoeuvre when it comes time to stimulate. It is a bit like the biblical story of the wise virgins and the foolish virgins. And over there in the persons of the Prime Minister, the Deputy Prime Minister (Mr. MacEachen), the Minister of Finance (Mr. Lalonde), the President of the Treasury Board (Mr. Gray) and the Minister of State for Finance (Mr. Cosgrove), I see five very foolish virgins indeed. In 1968-69 4 per cent of Government spending went to service the debt. That figure now comes to 35 per cent, nine times as much.

To have got us into an incredible fix like this is to have been a very, very foolish virgin indeed. The horrifying thing is that the five I have named are among the most competent people in the Cabinet. Is it any wonder that the country is going to hell in a handbasket? I cannot bring myself to believe that there is