

Borrowing Authority

want foreign capital in this country. I would simply like to point out to him that he comes from a part of Saskatchewan settled by people from other parts of the world. They came there and brought with them foreign capital and foreign expertise. None of us are native to this country, or very few of us. We brought that expertise and capital to this country, and that is what made it great. I am not concerned about where that capital comes from, but I am concerned that we control it as Canadians once it gets here and that it be used to benefit all Canadians.

Those are the kinds of things we would like to see in the budget, Mr. Speaker, and the sooner the better, not only for this House but for all Canadians.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, in this particular debate I think it is very important that we come to some agreement about fundamentals. I think the first fundamental that we should bear in mind is that the borrower gets into debt. Borrowing means debt, it is as simple as that. But the Government seems to have forgotten that. That is the simple, straightforward notion of which I think we ought to remind ourselves in this debate. Borrowing means debt. If you have sufficient revenue, you do not have to borrow, and then everything is fine. But if you engage in enterprises beyond your capacity to pay, you are going to have to borrow. It is as simple as that. Engaging in enterprises beyond your ability to pay will get you into debt. This is a simple principle that every householder, every wage earner, has to observe. He may have to go to the bank if he wants to finance his house, but he realizes that he is going to have to pay it back. One is bound to ask oneself, Mr. Speaker, why Government should be different. Why should Government act in a different fashion? Within certain limits, of course, they have to, because Governments do have to have the latitude to borrow to deal with crises when they occur. Governments must have that freedom, and this is recognized by all citizens and taxpayers. Limits are difficult to define, and I am not sure that it is even possible to define them; but they should be watched.

• (1710)

When we examine the course of the spending by the Government over the past 10 or 15 years, we see increased indebtedness all the time. In about 1968-69, there was balance, but since then the indebtedness has been mounting. The figures appear in Government publications. In 1977-78, it took \$5.56 million or 12.6 per cent of the budget just to service the then existing debt. Today, it takes over 20 per cent of the budget to service the debt. The deficit has risen from \$5.5 million in 1977 to \$18.5 million today.

The Government ignores the fundamental principles of how domestic housekeeping should be done. If we become too involved in expenditures that are beyond our ability to pay, then we are incapable of dealing with the budget. We must set limits.

I should like to give some figures from the *Financial Times* of February 28. An article on the front page describes the degree to which the country has increased the net federal debt. The article pointed out that in four years the Government will

have more than doubled the net federal debt of \$68.6 billion as it was in 1980. The total debt accumulated since Confederation, from 1867 to 1980—is \$69 billion. If we go on the way we are going, in four years the accumulated debt will be \$152 billion. It will have trebled in that short period.

We are talking in sums that are incomprehensible to most people. When I spoke on second reading of the Bill I tried to bring home to people the magnitude of the borrowing that is proposed in the Bill. I have another idea which I think is within the grasp of most people. We all watch football and know that the size of the field is 110 yards in one direction and 65 yards in the other. If you covered that field with \$1 bills, the total amount required would be \$1 million. The bills might lap a little over the edges. But one million \$1 bills would cover, more or less, the football field. If you had packets of one thousand \$1 bills and stacked them up, the field would be covered four inches deep at a cost of \$1 billion. If you covered it a foot deep, it would take \$3 billion—one million times one thousand. The Government is asking for \$19 billion which would mean that the football field would be covered to a depth of six feet, four inches. That is the magnitude of the request made by the Government in this Bill. The amount of the borrowing is conceivable, in those terms.

Hon. Members opposite are always asking Members on this side what we would cut to reduce expenditures. The Auditor General made a very good study of the expenditures, but of course we learn about them after they have taken place. Someone already mentioned the \$1.7 billion spent to acquire a fleet of gas stations. This did not increase the amount of petroleum available to Canadians at all. The company that acquired Petrofina at the cost of \$1.7 billion now pays \$18,000 per day, and will pay that for eight months, to rent a vacant building in Calgary. That will come to four and a third million dollars for unoccupied space.

These are the things that ought to be cut, Mr. Speaker. I could cite thousands of other examples if you would allow me another 10 or 20 minutes. I see you are going to rise to recognize someone else, and I thank you for the courtesy of allowing me these ten minutes.

[*Translation*]

Mr. Geoff Scott (Hamilton-Wentworth): Mr. Speaker, since I last spoke to this Bill, I have listened carefully to what was said by my colleagues in the Official Opposition. I believe that the \$19 billion are so important to Canadians that this should be debated in both official languages of our country, and that is why I intend to speak to the House in French today. Since I am from Southern Ontario, my French may leave something to be desired. However, with the co-operation of my colleagues, including the Member for Vancouver Centre (Miss Carney), the Member for Calgary Centre (Mr. Andre), the Member for Perth (Mr. Jarvis) and the Member for St. John's West (Mr. Crosbie), I feel that I will be able to explain in the other official language and to all Canadians throughout the country, why we on the Opposition side are speaking