

HOUSE OF COMMONS

Tuesday, March 27, 1984

The House met at 11 a.m.

● (1105)

GOVERNMENT ORDERS

[English]

BORROWING AUTHORITY ACT, 1984-85

MEASURE TO ESTABLISH

The House resumed from Wednesday, March 21, consideration of the motion of Mr. MacLaren that Bill C-21, an Act to provide borrowing authority, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs; and the amendment of Mr. Darling (p. 2292); and the amendment to the amendment of Mr. Deans (p. 2299).

Mr. Don Blenkarn (Mississauga South): Mr. Speaker, the Bill we have before us is based on the Budget of the Minister of Finance (Mr. Lalonde) which was presented over a month ago. In that Budget the Minister of Finance indicated that the borrowing requirements for this year would be \$25.55 billion. In addition, he wanted \$4 billion as a contingency allowance running into the year 1985-86, for a total amount in this Bill of \$29.55 billion.

● (1110)

A number of things have happened since the presentation of the Budget and the introduction of this Bill. It is quite apparent now that the demand for borrowing in the Budget and this Bill is no longer appropriate to today's conditions. That is the reason for the amendment which is before you, Mr. Speaker, specifically demanding a change in the Bill. May I point out that as of March 21, the Government had \$8.1 billion on deposit with chartered banks, trust companies and the Bank of Canada. Let me also point out that under existing borrowing authority the Government expects to raise an additional \$500 million or \$600 million before this weekend is over. The Government currently has more cash on hand than it needs, even with its profligatory spending habits, to carry through until June 30.

It is unconscionable that the Government should ask us to approve this Bill in its present form. Indeed, if one analyzes the \$8.1 billion presently on hand and takes at face value the \$25.55 billion that the Government says it needs, then the right to borrow should be limited in this Bill to below \$20 billion. There is no justification to grant the total amount

asked for in the Bill. The Bill is an attempt to have Parliament approve that which Parliament should not approve.

It would be different if we could trust the spending habits of the Government but it has become abundantly clear to all of us that the Government knows no limits in controlling its voracious appetite for money. If there is a nickel to be found, it will find two or three places to spend it.

Last year the Government overestimated the amount of money it would need for interest in the year ending March 31 of this year. You will also note that in the Supplementary Estimates the Government found that it had a provision for an extra \$440 million. Did the Government reduce the deficit of Canada by \$440 million as a result of a decline in interest rates for a period last year? Not at all. It spent that money and even more.

When the President of the Treasury Board (Mr. Gray) came before us at approximately this time last spring and produced estimates for the year 1983-84, those estimates involved spending in the order of \$86 billion. By the time we were through with the Supplementary Estimates (C) for this year alone, those estimates climbed to \$92.66 billion, which is an increase of over \$6 billion. The Government overestimated and overspent. Part of that overspending was due to the fact that it saved \$440 million in interest because of a short decline in interest costs for last year.

The fact is that if the Government saves money it will spend it. If it can borrow money it will spend it and does so faster than any other government in the history of this country. Parliament is required to stand up, be counted and demand that the Government pay attention to the future of Canada. We can only do that by denying this Government borrowing authority for moneys it clearly does not need. If we do not deny the Government, and if we allow the Government to have this Bill—on the face of it the Government does not need it; the Government could reduce the amount in the Bill by \$10 billion and it would still have a lot of money—the Government will borrow the money and spend it. We cannot afford to give the Government that privilege.

● (1115)

The Liberals ask where would we save money? I have indicated to this House on a number of occasions, and I repeat, that it would not be very difficult for anyone to slice back at least \$5 billion of this Government's spending without touching a single social program.

Is there a reason to pay for the insulation for people's homes, Sir? Is there any reason that the Government of Canada should borrow money to give people new furnaces? Is there any reason we should borrow money to buy French