

Borrowing Authority Act

conclusion that if there is any coalition in this House, it is between the Liberals and the New Democratic Party.

An hon. Member: Right on.

Mr. Patterson: This was indicated most clearly and decisively in the events of last December when a motion was proposed by the New Democratic Party and supported by the Liberal party.

One or two other statements that he made bear comment, Mr. Speaker. He endeavoured to show that we were proposing restraint as the only way to solve the problems of the country. I suggest this is a very simplistic statement and is far from the truth.

If I understood him correctly, the Minister of State for Finance (Mr. Bussi eres) indicated that a motion had been proposed by my colleague, the hon. member for Mississauga South (Mr. Blenkarn), and supported by the New Democratic Party, that the borrowing authority be reduced to \$4 billion. If I am wrong in that, then I apologize, Mr. Speaker. In view of the hon. member's statements about borrowing, I wonder why members of his party supported the proposal to reduce the authority set out in this bill from \$12 billion to \$4 billion?

The hon. member for Broadview-Greenwood (Mr. Rae) has presented the economic proposals of the New Democratic Party and has ridiculed everything else as far as an economic policy for the country is concerned. He presents his party's views as the sole and sure solution to problems in Canada.

I point out that only a few years ago when the New Democratic Party was in power in British Columbia they carried out an experiment that had catastrophic consequences. I would say God help us if we ever have another government of that party in our province.

I just wanted to make those few observations before dealing with the issue before the House, Mr. Speaker.

This bill concerns an act to provide supplementary borrowing authority for the fiscal year 1980-81. In view of the concern expressed by many of my constituents and people across the country about the policies of this government regarding expenditures and additional borrowings, I would be remiss if I did not speak on this bill today and express that concern.

The statement made by a former auditor general—and possibly confirmed by the present auditor general—that spending had gone out of control is very true.

Another institution was put in place with the appointment of the Comptroller General. Some of us felt that he might be of assistance in bringing some order to the wild spending policy of the Liberal government, but we do not see very much difference, Mr. Speaker. I realize that the Comptroller General did not have authority to reduce expenditures but only to make sure expenditures were made in a businesslike fashion.

I am amazed that the Liberal government is now asking Parliament for additional borrowing authority of \$12 billion. When the Progressive Conservative Party took the reins of

office about a year ago, it was determined to bring some restraint to this program of spending and some order to the chaos created by 11 years of Liberal administration. I believe it did a reasonably good job in this respect, and in spite of the vote of last December, I think a great many people across Canada appreciated the position we took.

While my colleague, the former minister of finance, in his budget on December 11, was able to project a very substantial cut in the federal budgetary deficit over the next four years, some borrowing authority was necessary because of the years of Liberal administration; but he was able to limit his request to \$7 billion. This is \$2 billion less than the former Liberal finance minister, the present Minister of Justice (Mr. Chr tien), bootlegged through the House by way of an income tax bill in the fall of 1977. At that time he asked for and received \$9 billion.

It is interesting that when the hon. member for St. John's West (Mr. Crosbie) introduced his measure last December, the spendthrifts opposite immediately challenged it and cried that it was not necessary. We should remember that the present Minister of Industry, Trade and Commerce (Mr. Gray) said at that time that \$3.5 billion was enough. Now their proposal is for \$12 billion. I should like to know what happened between last December and today. Surely there is some explanation. The Minister of State for Finance referred to this today when he said that a motion was made in committee to reduce the amount to \$4 billion but that the government opposed it. Now we have the paradox that a few months ago \$3.5 billion was enough, \$9 billion was too much; and now \$4 billion is not enough, they need \$12 billion.

During the election campaign the Prime Minister (Mr. Trudeau) or one of his colleagues promised that their new programs would not mean an increase in taxes as there would be a reallocation of existing funds to take care of them. I suggest that this is far from fulfilling a promise, because it is not from existing funds, it is from borrowing another \$12 billion. Therefore, as my colleague, the hon. friend from Mississauga South said, this money is actually taxes and hopefully the time will come when we may be able to repay some of this money. But if we keep going the way we are going now, we will never be able to do that.

● (1650)

It took Canada 100 years to reach a budgetary level of \$10 billion a year. This is a figure which doubled in the following three years, doubled again during the regime of the former minister of finance, John Turner, and went onwards and upwards until now our budgetary deficit is billions in excess of the \$10 billion total expenditure of 1967; and our borrowing alone is \$2 billion greater than the total 1967 expenditures. I think this shows just where we are heading as far as government expenditures are concerned.

I think we are heading in the direction which was outlined by my colleague from Mississauga South, and the Speech from the Throne served notice that this type of activity was going to be carried on. Canadians can only look forward to another