## February 12, 1981

When we took office, internal projections showed that the deficit would rise to \$18 billion by 1984-85. Action was taken to reduce the figure to \$9 billion by 1983-84, one-half of the deficit position in the previous government's estimates. Our budget projected that cash requirements be cut in half, from \$9.9 billion in 1979-80 to \$4.8 billion in 1983-84, and that spending increases be held to the rate of inflation in the country.

We took measures to improve expenditure controls and accountability, such as the envelope system. We took steps to reduce overclassification problems in the civil service and to impose tough financial penalties for government departments which incurred cost overruns on capital projects. We arranged to implement several of the recommendations of the Lambert commission. There were real cuts in spending. The government of which I was privileged to be a member was very serious about its responsibility to manage the taxpayers' money and to look after the affairs of this country in a responsible manner. As a result of the return of this government, we are back on the old trail. With single-minded determination it seems to be determined to take us down the road of increased deficits, increased spending and it seems to have no concern at all about efficiency of operation and efficiency of management.

I know this causes some anguish and grief to the member for Ottawa Centre and he is right to be concerned. I am sure that in his heart of hearts he understands the difficulties this government is creating. Representing as he does a constituency in the capital city, he fully understands. Having had the opportunity to serve in the public service, he will fully understand the implication of this policy and where it is taking us in terms of the future of our country.

What we are dealing with in this bill is the request for authority to borrow \$14 billion. Included, is a \$3 billion contingency fund, a sort of a slush fund if you will, in case the government finds that some of its actions are off target. I suggest that this is one of the fundamental problems with this particular bill. On the basis of its record we know that building in a \$3 billion slush fund will do nothing to make this government concerned about the efficiency of its operation or the consequences of its spending programs. This record causes great concern to anyone who takes responsible government in this country seriously. We are facing a situation where the taxpayer pays, and pays and continues to pay. The obligations imposed upon the taxpayer of this country are becoming enormous.

## • (2140)

All members of Parliament receive letters from constituents with respect to the increased burden of taxation now imposed on private citizens, wage earners and middle and low-income Canadians who try to work, try to participate and try to involve themselves in the productivity of our nation. They find that the taxation imposed by the federal government is oppres-

## Borrowing Authority

sive. They see no relief, and this naturally leads to a sense of despondency and real concern about where our country is going. They wonder about the advantages of being involved in any occupation, employment or small business. They wonder why they should be working. With the present rate of taxation they sometimes feel they would be better off on unemployment insurance. We all hear that from our constituencies. Hon. members opposite know that is the kind of correspondence they get; it is the kind of correspondence I get. I receive correspondence expressing concern about the weight of taxation.

The budget brought down by the Minister of Finance (Mr. MacEachen) projects spending of \$66.6 billion next year. A deficit of \$13.7 billion was projected. The gross national debt last year was \$107 billion, and I suspect it will exceed \$120 billion by April of this year.

As I have mentioned, interest is a very, very serious drain on our economy, and it will cost the Canadian taxpayer \$12.3 billion next year.

I am sure people who are watching this debate are just befuddled by these huge and enormous figures. It must be very difficult for the avearage citizen to comprehend them. My colleague, the hon. member for Kingston and The Islands (Miss MacDonald), in an excellent involvement with respect to the closure motion, brought to our attention the fact that it is hard for the average person to relate to the amounts of money we are talking about. I would like to deal just for a moment with some examples of what is involved in terms of the government's spending programs and in terms of cost to the taxpayer. I think when these figures are presented in very simple terms, they become meaningful, and people can understand what the government is about. This matter is almost akin to "How many ways do I love you" but this time it is. "How many ways am I fixing you" on the part of the federal government. I want simply to put the matter in that context because I have some examples which might be of interest to members of the government who are sitting across the way.

Government spending will be equal to \$7,600 per taxpayer in the coming fiscal year. The Prime Minister sat, smiling and smirking during this debate. That \$7,600 compares to government spending of \$1,692 per taxpayer when he assumed office. That is the kind of increase per taxpayer we are facing on the basis of the government's spending program.

On a per capita basis, government spending next year will amount to \$2,730 per man, woman and child in Canada. That compares to \$549 per capita when the Prime Minister assumed office.

Government spending is now more than five times greater than it was when the Prime Minister first took office and ten times greater than it was during the Second World War.

The hon. member for Kingston and the Islands (Miss Mac-Donald) made some references to buying cars in relation to