

Borrowing Authority

Secondly, Mr. Speaker, it appeared to me that borrowing at the level this Government borrows is neither democratic nor compassionate. I know that all of us in this House want to be democratic. We believe in democracy in the election process, but we certainly do not believe it in the borrowing Bills. I see the Hon. Member taking notes here; I expect a response. It seems to me, Mr. Speaker, that we have a country in debt to the tune of \$120 billion to \$130 billion and we can safely assume that not one Member here in this chamber is going to help pay off that debt. Not one of us. Yet we are today discussing increasing the indebtedness by another \$19 billion, which not one of us will help to pay.

Now, presumably a democratic principle is that those people affected by a decision should be able to vote on that decision. Yet none of us are going to pay this debt. Probably our children will not pay it. Very likely the first people who will have to pay this debt will be our grandchildren who are not even around today.

The Hon. Member for Lac-Saint-Jean says we have a whole new list of rights guaranteed to us. He forgot one. It is a new right which has now been passed on to all succeeding generations in Canada, the right to be in debt for thousands of dollars, immediately on birth, to the Government of Canada. I ask you, Mr. Speaker, is it democratic to impose on children not yet born something they have no voice in, something about which they cannot choose? I ask Hon. Members, would you in your own household incur the kind of indebtedness that you are forcing on your children and grandchildren? No, you would not. Yet as a Government you seem to think it is moral and upright and democratic to do this. I say, Mr. Speaker, that this kind of indebtedness, which produces nothing and returns nothing, has the aura of democracy but has no democracy at all. It has the shell of compassion but no content. It simply produces anxiety and anguish for future generations.

The third point I want to make is that my friends to the left and their spokesman, the Hon. Member for Kamloops-Shuswap (Mr. Riis), want to increase Government indebtedness by another \$10 billion. On the one hand, they want to increase the indebtedness by that much; on the other hand, they do not want any more borrowing. On the one hand, they want to be the champions of small-businessmen, their new-found crusade. They want to help the small business community. On the other hand, they want to increase the indebtedness of the Canadian taxpayer by another \$10 billion and again put pressure on the small business community by increasing the competition for the money that community needs to increase productivity.

Well, they cannot have it both ways. Either they want to have a Government which is accountable for its spending and limits its expenditures in such a way that it lowers its indebtedness in time and frees up money for the business community, or it carries on in its own merry way, as it has historically. They cannot have it both ways. They cannot be the friends of small business and the friends of higher Government debt at the same time. The two just do not mix. Sooner or later they are going to have to make an ideological choice, and sooner or later the people of Canada are going to—well, they have

already when you look at the last poll—catch on to that little gimmick dreamed up by these people. So we have to see this borrowing Bill for what it really is. It represents competition with the business community in the free marketplace for funds which could be used to increase productivity. It is taking that money to be used by a non-productive entity, namely the Government. It is borrowing which is neither democratic nor compassionate.

● (1210)

[*Translation*]

Mr. Bernard Loiselle (Verchères): Mr. Speaker, I feel that in this debate on legislation to determine the Federal Government's borrowing authority, a number of points have been made, and I would like to start by commenting on the point argued by my hon. colleague that the Government, in stating its intention to borrow this very substantial amount is going to reduce the private sector's room to manoeuvre to the point that small and medium-sized businesses and large multinational or Canadian corporations will no longer be able to find in this country the risk money they need to carry out their projects. My hon. colleague can rest assured that I am very concerned about the extent of the federal deficit. Like my hon. colleague opposite, I am indeed concerned about the economy's ability to support these projects. In fact, I am preparing a study on the availability of risk capital in this country.

However, in 1983, now that the Government will probably be bringing down its next budget very shortly, perhaps we should go beyond these generalities and provide some figures. I may say that the very grave concern I can read from my hon. friend's face is unfounded, because if we look at the present availability of savings capital in Canada—I think there are probably various approaches to the question—there is no danger that either the Federal Government or the Provinces, who will be borrowing as well, will bring about a crowding out of financing in Canada. The total amount Canadians are expected to save next year will be a little over \$60 billion, and that is after consumers have met their own borrowing requirements. This means that once the Federal Government has borrowed \$30 billion and the Provinces and municipal governments have borrowed \$15 billion, we still have \$15 billion left for the private sector, and unless the private sector wants to invest in some megaprojects or other ventures, which does not seem very likely if we look at their present investment plans, there will certainly not be the kind of problem described by my Opposition friend.

However, we should be concerned about this, and I think that when the next budget is brought down, I will comment on this particular point. However, something must be done now. We must have guidelines and we must set up criteria. We must find out how the Government could and should reduce the deficit in a very radical way as soon as the economy recovers, since the deficit, far from being structural, is linked to the economy. If we look at the room for manoeuvre ... I was