

Borrowing Authority

important to Canadians, they want the Government to spend more, but on the other hand, they want the Government to cut spending. As I said before, Mr. Speaker, the public is aware of the hypocrisy in this attitude.

This week, we heard the former Leader of the Opposition (Mr. Clark), who is once again campaigning for the leadership of his party, make some truly incredible remarks. He proposed massive Government spending on housing, roads, harbour facilities, airports and other public works, without giving any indication how much it would cost. At the same time, he suggested cutting spending in a number of areas. Representation costs would be cut by \$10.4 million. Mr. Speaker, all companies spend money on what they refer to as travel and entertainment, and the Hon. Member wanted to cut \$10 million. He wanted to cut the expenditures of the Canadian Unity Information Office by \$25.5 million, while ignoring the fact that the CUIC's budget has already been cut this year. The Hon. Member also suggested a \$50 million cut in the Government's expenditures on photocopying. I did not check whether the figures were accurate. I will let the Hon. Member for Yellowhead count the paper clips and sheets of paper used in Government offices.

• (1530)

[English]

I am glad, Mr. Speaker, that the Hon. Member for Capilano (Mr. Huntington) is in the House at this time. This morning, in one of his questions to the Hon. Member for Restigouche (Mr. Harquail), he asked whether there were certain figures available, related to cash flow, or he was suggesting that they were not available. In reading the speech of the Hon. Member of Finance (Mr. Lalonde) in opening this debate, I noticed he referred to the financial requirements of the Government being some \$26 billion. At page 22920 of *Hansard* for February 17, the Minister observed that there would be an increase in the outstanding debt of the Government on an average of \$2 billion every month. He also noted that the previously issued debt is coming due and must be refinanced every week; \$1.25 billion in Treasury bills must be refinanced each week. The Minister indicated the importance of securing the borrowing authority which he is seeking at the present time, and he stated again, at page 22920 of *Hansard*:

—given the size of the financial operations . . . even a savings, of a small fraction of 1 per cent can imply significant dollar amounts. Since the major objective of debt management is to minimize public debt charges it is important that the borrowing program can be planned and operated in an orderly and efficient manner and that the Government have the flexibility to respond to attractive financial opportunities. Clearly, adequate borrowing authority is necessary for this to be achieved.

It is quite clear that if the Hon. Member for Capilano was asking for the cash flow figures, he had his answer in the speech of the Minister of Finance.

Mr. Deputy Speaker: The Hon. Member for Capilano (Mr. Huntington) seeks to ask a question of the Parliamentary Secretary to the Minister of Consumer and Corporate Affairs (Mr. Berger).

Mr. Huntington: Mr. Speaker, perhaps my question can be answered with just a short statement. I thank the Hon. Parliamentary Secretary for his help in replying to my question on cash flow put to the Hon. Member for Restigouche (Mr. Harquail). It is very obvious from the answer and the explanations given by the Hon. Parliamentary Secretary that he, like the Government, does not have the slightest idea of what the cash flow is on a month-by-month basis, otherwise the Government would not be in so much trouble and its projections would not be so erroneous.

Mr. Berger: Mr. Speaker, I would suggest to the Hon. Member that I have not had the opportunity to make any inquiries of the Minister of Finance. I recognize that the \$2 billion increase in the outstanding debt of the Government every month is only one component of the cash flow requirements of the Government. I would suggest that the answers could be very readily obtained, and that is not an adequate reason for holding up the study of this Bill and its quick passage, which the Minister of Finance is seeking.

Mr. Huntington: Mr. Speaker, if the Hon. Parliamentary Secretary is correct, and it is entirely possible that he is, I am wondering why the Comptrollers and Auditors General of Canada have been so concerned about this issue since 1976.

Mr. Berger: Mr. Speaker, I respect the thorough study which the Hon. Member has given to the reports of the Comptrollers General and the Auditors General. I know they have made certain references to shortcomings in the financial management system of the Government, which the Government has taken steps to correct. I would like the Hon. Member to refer me to the relevant portion of their reports which refers to this particular problem, and perhaps we could engage in further discussion of this at some other time. I know that there is a Bill before this House, for example, which proposes to correct some of the problems regarding the accountability of Crown Corporations, about which I know the Hon. Member is concerned. I would suggest to the Hon. Member that it is important to give quick passage to some of the measures which are before the House so we can put some of them behind us and perhaps use them as a building block to resolve some of the other concerns which we all have.

Mr. Kilgour: Mr. Speaker, the present federal borrowing as of now, beginning this fiscal year, is \$163 billion more or less. Does the Hon. Parliamentary Secretary believe that that leads to higher or lower interest rates, and what effect does he think that higher interest rates are having upon the economy in terms of creating new jobs? Would the Parliamentary Secretary also tell us, given all the circumstances, what he feels the range of the deficit this year should be? For instance, a professor at McGill University, Sidney Ingerman, recently said he thought it should be in the \$35 billion range. What range does the Parliamentary Secretary feel it should be, given the circumstances of the economy?

Mr. Berger: Mr. Speaker, the Hon. Member, I believe, referred to a figure of \$163 billion—I cannot recall his exact