

*Borrowing Authority Act*

and Treasury Bills. Every year a large portion of the funds which the Government seeks to borrow is to be used to obtain funds by way of Treasury Bills, Canada Savings Bonds, and so on, to pay off previous Treasury Bills, Guaranteed Investment Certificates, and Canada Savings Bonds. We keep going in the same circle.

I am all in favour of paying our bills. The most conservative economists in the country tell us that if we reduce unemployment to 6 or 6.5 per cent and get companies producing, the present deficit would be paid off in three years. That can be done through leadership by Government. An additional \$1 billion should be put into housing. There are waiting lists as long as your arm in every city in the country for chronic care beds, senior citizen housing, and hospital beds.

Increased expenditures in the housing industry would impact the forest industry, the people who manufacture drapes, carpets, plumbing fixtures, wiring, and the construction industry. It would impact upon the entire economy. That gives a lead for the private and co-operative sector to do likewise. Without that lead they will not do it. They never have, and they never will.

The deficit of the Government of Canada in today's dollars in 1933 was twice as high as it is now. The deficit at the end of World War II in today's dollars was three times as high as it is now. We had to rebuild a civilian economy following a war time economy. We put people to work and the deficit was paid off by the late 1950s.

At second reading I urged the Government to borrow an extra \$1 billion for housing for senior citizens and low-income families, for public, co-operative, and private housing, and for hospitals and chronic care beds. I urge the Government to borrow at least \$200 million or \$300 million this year, to put up to one-quarter of a million young people to work over the next five years cleaning up our air and water. We have no right, as a nation, to leave the mess which we are leaving for succeeding generations. Who do we think we are? We hold our air, waters, and environment in trust for our children and grandchildren.

I call those kinds of borrowings a constructive deficit, a self-liquidating debt, rather than the dead-weight debt with which we are continually afflicted. We can borrow money for fighter planes, but we seem to have difficulty borrowing it for food. I am not suggesting that we should be defenceless, but we borrow money for fighter planes which are of no use to us. We should be buying planes for their transport capability in our Armed Forces, rather than for fighter planes. However, that is another argument.

The point is that it is a matter of priority. Surely the production of food should have an equal, if not greater, priority than borrowing for fighter planes. Fighter planes came to my mind because the Minister of State for Defence (Mr. Andre) is here. If another Minister had been here, something else may have come to my mind. It is a question of priority when a Government at any level borrows.

That brings me to the subject of food. During the last number of days we have heard much about what is occurring in the international grain market. The Prime Minister (Mr. Mulroney), the Minister of State responsible for the Canadian Wheat Board (Mr. Mayer), and the Minister of Agriculture (Mr. Wise) have, in effect, told Canadian grain producers in all provinces that they not only have to compete in the so-called free and open domestic market for lower prices, but that they also have to compete by themselves against the treasury of the United States and the treasury of the European Economic Community.

I listened to the responses of the Minister of State responsible for the Canadian Wheat Board in which he said that \$1.47 billion has been spent directly and indirectly to benefit agriculture. That is true, but all of those payments are for things which happened in past years. Payments to the railroads under the Western Grain Transportation Act are not just for the benefit of grain producers. Those payments benefit every producer and manufacturer who ships anything by rail from Winnipeg to the West Coast. It is unfair to prairie farmers to call that a payment to western grain producers when the improvement of the infrastructure of our railway system in western Canada benefits all shippers and receivers.

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Yet the finger is continually pointed at the grain producer. This is a \$650 million subsidy and the Government has the unmitigated gall to add that to the amount it says is being paid out as a benefit to farmers. If we did not produce a single bushel of grain starting tomorrow, those railway lines would still have to be fixed up to haul all the other commodities. Grain occupies only 14 per cent of the capacity of those main lines into Vancouver through Calgary and Winnipeg. Yet the finger is always pointed at the farmer. Look at him, they say he is getting \$650 million to haul grain. The name of the Western Grain Transportation Act is a misnomer. It should be the Western Transportation Act because it is not just for grain, it is for all other commodities. It was and is recognized that the two railways, one public and one privately-owned, cannot separately or together generate enough capital to upgrade and modernize their plant on their own. They require public financing. There are no ifs, ands or buts about it. It would not matter what party is in power, that is what would have to be done. I find it extremely unfair that the Government would count that as some kind of subsidy to grain producers when it is meant to upgrade our railway transportation system in western Canada for all shippers, receivers and producers.

Another \$1 billion in the form of a self-liquidating debt should be added to this Bill by way of a deficiency payment for grain producers in western Canada. I described earlier how this and previous Governments, Liberal or Tory, going back long before the Canadian Wheat Board existed, expected individual farmers to compete with the treasuries of nations which were much larger than Canada. I find it strange that the U.S., the European Economic Community, Australia and the