

Borrowing Authority Act

sures are created on the American dollar and finally the Canadian dollar.

The objective of this amendment is to ensure that this act shall come into force on a date, after royal assent, to be fixed by proclamation. To date it back to November 1, 1978 is not in the best interests of this legislation. I hope the government and hon. members see fit to support the amendment before the House at this time.

[Translation]

Mr. Herb Breau (Gloucester): Mr. Speaker, I am glad to rise on the amendment put forward by the hon. member for York-Simcoe (Mr. Stevens) at the report stage of Bill C-7, an act to provide the government with supplementary borrowing authority for the fiscal year 1978-79.

First of all, I should like to say that I am against the amendment because I think that it is useless and, second, that it is contrary to parliamentary practice relating to government business put before parliament, that is to say that on budget or tax matters it is normal for the government to propose legislation subject to parliament approval. When the government introduced this legislation at the outset, it felt that to ensure the orderly issue of Canada Savings Bonds it was better to have a set date for the coming into force of such a legislation once passed by parliament, that is November 1, which coincides with the issue of the new Canada Savings Bonds series.

So that is why I find the amendment moved by the hon. member for York-Simcoe to be useless and contrary to the practice in budget and tax matters put before parliament. However, Mr. Speaker, I want to speak on that amendment and on the general issue, because it should be noted that we are now merely discussing the question of increasing the borrowing authority of the federal government and not necessarily of authorizing expenditures. During the debate on second reading of Bill C-7, as in committee, I was a member of the Standing Committee on Finance, Trade and Economic Affairs, when members criticized the bill they wanted to deal with government expenditures. The bill does not provide for any government expenditure but it is aimed at allowing the government to increase its borrowing authority. Of course, if the government is borrowing, before those expenditures can be made, they must be approved by parliament. This is not a debate on government expenditures but on whether or not to increase the borrowing authority of the government. Once the government has borrowed, before spending that money, it must obtain authority to do so.

In this debate we are obviously getting the same reaction from the Conservative party when they tell us that the government spends too much, that government borrowings will fuel inflation, that its spending is ill-conceived, that its intervention in the Canadian economy is excessive, yet in all debates or every day some members on the other side who pretend they speak for their parties have nothing else to do than to propose measures which would imply more government spending.

[Mr. Ritchie.]

Whenever the government proposes reductions, the Conservatives stand on both sides of the fence at the same time. On the one hand, they say, "Cut the spending, reduce the government's deficit. You interfere too much in the economy. It's bad." But the minute the government proposes a reduction, the same people on the other side who said "Cut, cut, cut" stand up one after another and say, "It's terrible! You are going to close a laboratory here. Shame, you are going to close a laboratory there. It is awful, you are going to put people on unemployment." Well, Mr. Speaker, the Conservatives should make up their minds about whether they want the government to reduce its intervention in the economy or to increase it.

In my opinion, additional fiscal measures by the government are healthy for the economy. Those who want better redistribution of wealth and more social justice must recognize that it is up to the government to do that on behalf of Canadians. It levies taxes or uses its borrowing power to redistribute this wealth. It is the only way to do it and anyone suggesting that we can build a better society without doing that either fails to understand how the economy works or is being a hypocrite. It is one or the other.

Mr. Nystrom: That is socialism.

Mr. Breau: No, it is not necessarily socialism. My friend from Yorkton-Melville (Mr. Nystrom) is still confusing socialism and pragmatism.

I did not understand what the hon. member for Calgary Centre (Mr. Andre) meant but I think I know what he will say during this debate. He will likely say that the government—I should not anticipate on what he is going to say but sometimes it happens that we know in advance what people are going to say—he is going to say that it is a terrible thing for the government to spend more and to have an oil company such as Petro-Can. He is going to say it is bad for a country to have that kind of company while the British or the Mexicans or other countries have similar national companies but, in his opinion, it is bad for Canada.

Mr. Nystrom: France and England!

Mr. Breau: I said the British, and that means England.

Mr. Speaker, this is one example where on the one hand the Conservative members are telling us to do more for society. I am astonished by some of the eloquent speeches that we have heard from the Conservative ranks in the past two or three weeks. They are telling us to do more to help the poor and to eliminate the disparities that exist in our society but on the other hand, they are rising to say: you spend too much, you undertake too much, you collect too many taxes, you use too freely the borrowing authority of the government.

Mr. Speaker, there is no way to build a more just society if the government does not use its borrowing and taxing author-