

Mr. Kilgour: I submit that unless we do something about inflation some of our basic democratic institutions will be in considerable danger. People lose confidence in those institutions during a period of inflation. In 38 out of 40 countries it was demonstrated that democracy is endangered when the purchasing power of the dollar is eroded.

My plea to the government is, start listening to people who have a sense of contact with ordinary Canadians who suffer because of inflation. If the government speaks to those people, virtually without exception, they will hear that unless something is done about fiscal and monetary policy, Canada and its very future as a country will be endangered. As a small act of protest against what has gone on in Canada for so many years, when this bill comes up for a vote, I intend to vote against it and I urge others to do likewise.

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, on the one hand, I am pleased to have an opportunity to debate Bill C-59, but on the other, its contents raise a number of concerns in my mind.

I have spent the last few days in my home riding touring a variety of municipalities and travelling throughout some of the rural areas. I have spoken to people from various chambers of commerce, to people in the trade union movement and to individuals at various community functions. A number of questions kept coming up. Some people referred to the state of the constitutional debate and some referred to the general state of affairs in Ottawa. Inevitably, people would ask what we were debating in the House of Commons these days. They asked what the topic was before us and what the government was asking us to support. When I told them that we would be debating Bill C-59, an act to provide supplementary borrowing authority, an act asking for authority to borrow \$14 billion at this point in time for a variety of public works and general purposes, the response was predictable. It was the same, no matter the source whether it was a chamber of commerce meeting, a trade union meeting or whether it was from folks on the streets in the various small towns.

People always asked what on earth the government was going to use the \$14 billion for. There was some embarrassment on my part because I had to tell them that it was not clear what the government was going to be using it for or how the money would benefit men, women and young people in the constituency. Worse than that, I had to say that out of this request to borrow \$14 billion, \$3 billion of it was to be set aside as a contingency. In other words, the government would have to wait and see what will happen. Probably the \$3 billion would be required, but at this time the government could not account for it. As for the remaining \$11 billion, there was some rather vague plan provided on behalf of the government. I want to emphasize it is a "vague plan" at best.

Then a thought occurred to me. What would happen if an individual from any part of Canada were to walk into his bank and ask to borrow \$14,000 for a new luxury car or perhaps to start a business of some kind? The banker would probably ask how the money would be used. What if the individual said he had some vague notions about \$11,000 of it, which are not

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very sophisticated or profound? He might think that a lot of people would not support the request. As for the \$3,000 he would tell the banker that he was not certain what he was going to do with it, but he wanted it standing by in case of some contingency. It would be some banker who would say, "That is the kind of thing we like to support. That is the kind of request that we would like to honour." I suspect the individual would be going to a variety of bank branch offices and ending up at the FBDB, and he would probably be rejected by them as well.

Last July I believe we were asked to give the government authority to borrow \$12 billion. Again, it was without any clear indication of how that \$12 billion would be used. Needless to say there was reluctance on this side of the House to endorse and support that request. It is perfectly clear that Canada is facing some serious economic, social and political problems.

● (1700)

The social fabric of this country is being torn apart; west against east, new Canadian against the traditional Canadian, provincial parties against federal parties and French-speaking against English-speaking. There are social problems in the fields of housing, pensions and health care let alone the economic problems which are becoming increasingly more serious every day. This is what alarms many of us who have spoken during this debate. There is the tragedy of a changing economic world and what appears to be the inability of this government to come to grips with it.

With all due respect to my colleagues on my right, I am not encouraged by much of what I have heard and read in their speeches up to this point. They seem to be living up to the last half of their name, conservative, living with principles which perhaps were applicable a number of years ago, but are difficult to apply to the rapid changes occurring in the world economy today and with what ought to be happening here in Canada. Similar serious concerns can be levied against the Liberal government. What indication do we see that the government is coming to grips with inflation and the serious unemployment situation in this country? I will stay with the unemployment situation for a moment or two.

One of the tragedies of Canadian society of late is that the Liberal government has been able to convince a large number of Canadians that an unemployment rate of 6 per cent, 7 per cent and 8 per cent is acceptable. The government believes that is something we must live with. Many times members across the way and others in the Liberal party have said that we must bite the bullet. That is an unfortunate attitude for a government, and especially for a country. A country as rich as Canada should not have to accept such a high rate of unemployment.

The situation is very grave in many parts of Canada. In some constituencies, many represented by Liberals, the unemployment rate is in the 35 per cent to 40 per cent range. In some communities in my constituency, the rate is reaching 12 per cent and 12½ per cent.