

Borrowing Authority Act

10.70 per cent. This is a sign that the Government does not know what it is doing in the fiscal sphere. It has squandered money. Profligacy is not the right word. There must be a stronger one but it does not come to mind, Mr. Speaker. If the bank rate is 10.70 per cent tomorrow, then what will mortgage rates be on Friday or next Monday? Where will people be who have to renegotiate a mortgage? In the last 10 days or so interest rates have gone up and there are signs that this will continue.

I do not quite know how to direct the attention of Members on the government side of the House to the reality of this Bill. I notice they are not contributing to the debate. Perhaps there is some shame over there. Perhaps they find it difficult to defend a Bill which seeks authority to borrow \$29.5 billion, \$4 billion of which is to be kept in reserve over and above what is currently needed. I suspect many Members opposite do not know just how much \$29.5 billion is. I must admit, Mr. Speaker, that I am at a bit of a loss myself to know how much it is.

• (1640)

I will refer to the documents which were presented with the Budget. One of the documents which was presented at that time is entitled *The Fiscal Plan*. It is worth reading. It reveals an awful lot of things. Between 1973 and 1974 the national debt was pretty close to the amount of the borrowing authority we are debating today. In 1974-75 the expenditures of government climbed from \$24.1 billion to \$31.3 billion. So in that year the full expenditures of government were of the order of this particular borrowing. The deficit foreseen by this Government for this borrowing authority is of this order as well, give or take \$1 billion or \$2 billion.

I suppose we have become so used to talking in billions of dollars that we can easily give or take \$1 billion or \$2 billion. But it is a staggering thought, Mr. Speaker, that expenditures ten years ago equalled what is today the deficit. I looked at some of the tables on page 62 of the booklet *The Fiscal Plan*, which was presented with the Budget on February 15. At the time when we had to face our debt around the end of the war in 1946 and 1947, it is surprising to note that the net public debt—which, of course, does not include the Crown corporation borrowing, grants and so on—was \$13 billion, which represented at that time 110 per cent of the Gross National Product. In other words, there was more national debt than there was Gross National Product. The net public debt was \$13 billion after a war which lasted five years.

I mentioned that the net public debt for 1975-76 was \$28 billion. In 1976-77 it was \$34 billion. The preliminary estimate of the Government of the net public debt for 1983-84 is \$150 billion, which represents 38 per cent of the Gross National Product. This percentage has been growing out of control. We now have 38 per cent of the Gross National Product represented by debt in this country. This is our gift to our young people. This is what makes me so ashamed, Mr. Speaker. We are loading on to the pages in this House, the children of the

people in the galleries and on our own children a debt of this enormity, and that is shameful.

Mr. Deputy Speaker: Order, please. The Chair is now prepared to rule on the amendment presented by the Hon. Member for Hamilton Mountain (Mr. Deans). The Chair finds that the amendment is acceptable.

Hon. Jake Epp (Provencher): Mr. Speaker, I would like to put my comments on Bill C-21 on the record today. I know it is the general practice of Hon. Members to say, when they rise to speak in debate, that it is a pleasure or an honour to participate. I cannot use those words today, Mr. Speaker. We have had many debates in this House on Bills which have been put forward by this Government asking for borrowing authority. I feel that what we should do is recycle our speeches because what my colleagues and I have said on previous occasions applies on this occasion as well.

I said to the Government at an earlier time with respect to other borrowing bills: "Do not come back and ask for more". But once again this advice was rejected. However, if those other requests for borrowing authority were extreme in terms of the amount of borrowing authority requested, they pale in comparison to Bill C-21. The Government is asking this Parliament to give authority to borrow an additional \$29.5 billion.

If one says that quickly enough and does not analyze what is behind that statement, one might say that is just another typical statement made in the House of Commons. But let us analyze just what the situation is. The Government is saying that it needs this kind of borrowing in order to tide itself over for a specific period of time. There is no knowledge in this House at the moment that this amount of borrowing will be sufficient to take the Government through to the end of the fiscal year in March, 1985. There is no evidence of that whatsoever.

What the Government wants, by its own admission in this House, is a certain amount of money which it can prove it needs to carry on the functions of government. Then additionally it wants a slush fund, a contingency fund, a fund which it can have in its back pocket, so to speak, so that it does not have to come back and have the onerous task of asking Parliament for more borrowing authority. The greater tragedy though, Mr. Speaker, is that this Government has such a legacy of borrowing, and Canada now has such a large structural debt, that long after we are gone from this place and this earth, and long after those who are younger than we are are gone, that debt will still remain. In fact, today we do not pay for our debt. All we do is take a major portion of our revenue and pay the servicing of the debt, the interest.

Government really should be no different from any other household. When one has mortgaged a house, one cannot get a second mortgage to pay for the groceries. That is what the Government is asking this House to do again today. It is a shame what this Liberal Government has done to the Canadian people. It is a shame that today, other than health care costs and post-secondary education, the largest expenditure on the Public Accounts of Canada is debt servicing. It is a shame