

Taxation

instances they are not able to discharge their responsibilities or know what the estimates are, or have not put forward the programs themselves. They came up through the administration. We are hagridden with administration in this country. We are not the only ones. I have just returned from Australia. The former leader of the opposition there, who is now the Speaker, clearly indicated to me something in conversation. I am not disclosing any secret. Thank goodness in this House it is provided by statute that the estimates do not go through the administration or Treasury Board. They go from the Speaker to the Minister of Finance and are to be accepted. That is the way it should be. This House must be independent of the administration.

• (1700)

I find it extraordinary that there are so many ministers who either are not conscious of that principle or who agree with the administration that this House must be just another tool in the hands of government. Even the form of Bill C-93 in regard to borrowing authority is indefensible in this House. The minister said that he needed \$6.6 billion borrowing authority, failing to disclose that Bill C-59, passed earlier in this session, provided for a permanent unexpended portion of borrowing authority, up to \$3 billion, which need not be renewed formally by any other bill. In other words, there is a \$3 billion cushion, to which is to be added \$6.6 billion in this coming year. So the government has authority to borrow \$9.6 billion in 1982-83.

Why does it do it that way? On a previous occasion this House had some control over both government and administration, because the borrowing authority was running out and the House was not giving that authority unless certain conditions were met. So what went through in Bill C-59? Mr. Speaker, I will read the section into *Hansard* for the edification of hon. members. Subclause (2) of Clause 2 of Bill C-59 reads as follows:

All borrowing authority conferred by subsection (1) that remains unused and in respect of which no action has been taken by the Governor in Council pursuant to Section 37 of the Financial Administration Act shall expire on March 31, 1982 to the extent that the unused authority exceeds three billion dollars.

It so happened that there was \$3.7 billion left over, so there was only \$700 million that expired on March 31; and there was sitting, before the passage of this bill, a cushion of \$3 billion. That has not been affected by the passage of any section of Bill C-93. So Clause 2 of Bill C-59 is still in force. Unless it is changed in the future, it will always provide that up to \$3 billion of any borrowing authority, if unexpended, shall remain authorized and therefore the administration has been cushioned.

In the same way, it developed procedures in the mid-1960s to get around the control that the House used to have on the administration through the granting of interim supply. Once that was breached, the authority of this House was lost. This House now has no more control on government expenditures than any individual member has control of the wind outside this building. That is something that many people wonder about. That is one of the things that has to be reformed. If calling for reform of Parliament means anything, in this type of government that we have or allegedly have, a responsible

government, there has to be authority in this chamber to hold the cabinet accountable. At the present time, cabinet sets the pace; cabinet rides roughshod. The members of this House behave like so many marionettes. We have timetables, we have guillotines, we have all sorts of procedures, all introduced under the guise of efficiency.

This House must be efficient and this House is efficient, Mr. Speaker. The way bills go through, the procedure for the handling by the Chair of the rules, the operations of the officers of the Table, all of this is very efficient. But that does not mean that we have to sacrifice our authority to cabinet in the name of so-called efficiency. That is a snare and a delusion.

To reform this House, among those things that have to happen is a return of authority to the House, with control over expenditures. The minister proposed a borrowing authority of billions and billions of dollars, a 22 per cent increase in expenditures, in effect. I do not mean comparing the principal, the figures in the main estimates, as against the final estimates of the previous year. That is another favourite government trick, comparing apples and oranges.

Let us line up the final estimates for 1982-83 against the final estimates for 1981-82. And even these are not yet in; they will be available to us only for guillotine consideration and passage in June. The money is spent; there are no two ways about it. And that expenditure will exceed the proposed expenditures by thousands of millions of dollars. It is an old trick. Piously the minister comes in this year and says that he has not got the same requirements, that he needs only \$6.6 billion. It is really \$9.65 billion that the minister will have available in borrowing authority this year, a reduction from the previous year when the money was not all spent. So there has been very little reduction in the borrowing authority, Mr. Speaker.

• (1710)

We have come up against some real problems with regard to borrowing. Last year in September and October the interest rate for Canada Savings Bonds was fixed at 19.5 per cent. Of course, a supplementary premium had to be paid on all outstanding Canada Savings Bonds in order for them to effectively reach 19.5 per cent; otherwise there would have been a massive conversion from old issues to new issues, notwithstanding the cumulative coupon that was affixed to a number of previous issues.

I should like to see the schedule of the Minister of Finance for new bond issues or for conversions in this fiscal year. If there are any 15-year bonds that mature in this fiscal year and which are to be renewed, what sort of interest coupon will they bear, so that there is not an immediate and almost dramatic drop in their face value, in order to reflect the true market value? Those are the measures of confidence that the market and the ordinary citizen have in government.

Last night and again today I heard the hon. member for Hamilton Mountain (Mr. Deans) speak at great length about