

*Borrowing Authority Act*

tion we find that there is no funding to provide for new schools on Indian reserves, even when it is clearly recognized that they are needed. Building schedules are being constantly pushed back, promises are made and then denied. In Manitoba, some 40 school buildings are needed.

The Government indicates it wants to borrow \$29.5 billion, yet government Members have announced plans for the spending only of some \$25 billion. The Government wants to borrow \$4 billion more than it has planned to spend. We say that government Members should bring in a plan which would indicate to the people of the country where they want to use that money. I would like to suggest some areas which urgently need that money. There should be increased attention paid to the forests and to the fisheries, particularly the fisheries of the Pacific Coast, and increased attention to the need for decent housing and sewage and water systems in the Indian communities.

The Government's approach to the economy has been one of drift, mismanagement and borrowing to make up the difference. I do not think that is good enough any longer. Let the Government do some long-term planning that will help to get the economy moving again. In short, we cannot accept this Bill because it is too large, too loose and we do not know what the Government wants to do with the money.

**Mr. Jim Hawkes (Calgary West):** Mr. Speaker, standing in the Chamber today, I am reminded of the day that the Prime Minister (Mr. Trudeau) called Members of Parliament nobodies. Far too often, when out in our ridings around the country, we tend to think that what happens in the Chamber of the House of Commons is irrelevant to the day-to-day lives of the people. Today, Mr. Speaker, we are looking at the largest borrowing Bill in Canadian history. We can predict that members of the Liberal Party of Canada will stand up in the Chamber and vote for it. Will that affect the lives of individual ordinary Canadians?

On a day-to-day basis this week we have watched the value of the Canadian dollar drop. During the auction for Treasury notes today, interest rates went up better than one half of 1 per cent. Anyone who bought a home this morning or who yesterday put in his offer to buy, did the paperwork necessary to receive a mortgage, but now finds that he is having his pocketbook tapped this afternoon. One half of 1 per cent on a \$50,000 mortgage amounts to extra payments of better than \$20 a month of after-tax income out of a wage earner's pocket. If that mortgage is \$100,000, one half of 1 per cent amounts to an extra \$40 a month. That is \$40 a month that people cannot use for food, clothing, entertainment and education.

This situation has been caused by a further four years on top of 11 years of economic mismanagement. It is hurting the country. It is costing the country jobs. It is costing the people anxiety and putting more people in hospitals. How did such a situation come about? Government Members, including all the leadership candidates, are asking Members of the House of Commons to give them permission to borrow \$29,550 million. That is a sum so staggering that it defies the imagination.

Let us put that amount in perspective, Mr. Speaker. There are 24 million Canadians, and some of them are in the fortunate position of being able to save money either by putting it in banks or in a variety of money certificates. The amount of money the Government wants to borrow from those who save is 91 per cent of all the money that will be saved in the country this year. This government borrowing Bill does not even include the amounts to be borrowed by Crown corporations, which are an extension of Government.

If the Government will borrow 91 cents out of every dollar that every Canadian saves, that leaves only nine cents for the rest of us to borrow for the purchase of a car or a home. Because of this, what happens to the interest rates, Mr. Speaker? This Bill has not yet been passed, is not yet law, and the borrowing has not even begun. We are only at the beginning stages of this Bill, and already interest rates are up one half of 1 per cent. Perhaps they will rise another 1 per cent, 1.5 per cent or 2 per cent. Everyone who borrows money in the country will have to pay that extra amount.

Pensioners in the country who are on fixed incomes will have to pay more for the food they eat because the costs run down throughout the entire economy. Rents will go up and the cost of medical supplies will go up as well. If any Member of this Chamber thinks that what we do here does not affect ordinary Canadians, he is pulling the wool over his eyes. This is the largest borrowing Bill in Canadian history.

● (1630)

This year the Government plans to spend almost twice as much as it planned to spend the day it was elected. In four years it has almost doubled its expenditures and it has more than doubled the amount of money it borrows. People do not like high interest rates. They complain that their business went bankrupt because they could not afford those rates, that they had to turn their home back to the mortgage company because they could not pay the interest, or that the finance company repossessed their car. They should hold every single Member of the Liberal Party of Canada accountable because they support Government mismanagement year after year after year. It is the Government's willingness to borrow year after year after year that is causing the problem. Some may say that the blame lies with the Cabinet, but that is not so. Members of this Chamber vote for these measures and so it is the job of government backbenchers and opposition Parties to hold the Cabinet accountable and put some common sense into the legislation. When government backbenchers do not do that job, then the voters of the country have a job to do, and that is, to kick each and every one of them out of this Chamber so that they never have an opportunity to do this sort of thing again.

When I was elected almost five years ago, 17 cents out of every tax dollar went to pay interest on the public debt and 83 cents was left for health care, unemployment insurance and so on. Now, not quite five years later, 31 cents out of every tax dollar goes to pay interest on the public debt. That leaves 69 cents instead of 83 cents to go into health care, pensions, and