

considerably as a result of tremendous dislocation in the work place. Up to two million people were unemployed and unable to enter the consumer market place to buy the things they themselves, their neighbours and their friends all across the country were in the process or should have been in the process of manufacturing.

There are two consequences as a result of having two million people unemployed. The first consequence is that the day-to-day needs of the unemployed must be met either through unemployment insurance or welfare payments. That, therefore, adds a considerable sum to the cost side on top of the already large sums of money spent by the Government. Concurrently, it reduces on the tax side the amounts of money which normally would have been collected from those people who, had they been working, would have been earning money and paying taxes. By pursuing a policy which allowed two million people to become unemployed, the Government created a situation which inevitably resulted in the Government having to borrow more money. The Government reduced the tax base while at the same time taking on additional responsibilities on the expenditure side. It makes sense, does it not? I see that there is a lady in the gallery who is nodding her head. Yes, it does make sense and I agree.

An Hon. Member: She is probably your mother.

Mr. Deans: No, she is not my mother. She is obviously someone's mother but she is not mine.

Because of decreased productivity, there was a decrease across the board in the numbers of items sold which in turn decreased the amount of sales tax collectable, the amount of corporate tax chargeable and which further decreased the numbers of tax dollars that normally would flow to the Government. You can see the dilemma if you take into account those factors together with any number of factors including that the Government had to spend large sums in order to try to create employment in areas where unemployment levels had gone out of sight.

● (1630)

The Government's economic policy brought forward by the Minister of Finance (Mr. Lalonde) created the unemployment, the economic downturn, the situation where the tax base was eroded, the situation where the costs of doing business increased for most people, the situation where the Government required people to spend more money than they would otherwise have to spend, the end result of which was that it was forced to borrow more than it would otherwise have had to borrow.

If one were to level an indictment at the Government it would be that it pursued a policy which completely undermined the economy of Canada. I therefore say that the consequence is that because the Government is not now in a position to improve economic conditions given that it will not alter its headlong dash toward economic meanness, more people will be unemployed year after year, of course, there will be the need for even more borrowing. Either that or for those

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people still employed we will have to raise the level of taxation. The New Democratic Party would fight that because we know who would have to bear the additional burden. It would not be the Bank of Montreal or the corporate structure; it would be the average taxpayer.

For those reasons I should like to move an amendment to the amendment moved by the Hon. Member for Parry Sound-Muskoka (Mr. Darling). Therefore, Mr. Speaker, I move, seconded by the Hon. Member for Beaches (Mr. Young):

That the word "fiscal" in the fourth line of the amendment be struck out and replaced with the word "calendar".

The consequence of such action would be that the Government should not be authorized to borrow more today than it requires for its expenditures in this calendar year. It would have to return to the House of Commons at the end of the calendar year for approval for additional borrowing and to allow for further scrutiny of its economic policies. That would necessitate the Government's reducing the amount it is seeking from about \$25 billion—I leave it to the Government to make that calculation although I could do it—to an amount in the order of \$18 billion.

Mr. Deputy Speaker: Order. Before putting the motion to the House the Chair would like to reserve its decision and take the matter under advisement and come back to the House at the earliest opportunity with a ruling on the acceptability of the motion.

Mr. Donald W. Munro (Esquimalt-Saanich): Mr. Speaker, I like the motion submitted by the Hon. Member for Hamilton Mountain (Mr. Deans) to the effect that the Government might have to come back to Parliament to ask for the funds it needs and that its borrowing under this Bill would be limited to its needs in this calendar year. If only we could persuade the Government that it should come back on its knees, in abject submission, because it has bungled the economy of Canada in a manner which should make every Member who sits in this Chamber—at least those on this side—feel ashamed.

It is in shame that I stand here to castigate the Government on the record it has built for itself on economic and fiscal matters in this country. It is not just for this generation that I feel shame, Mr. Speaker, but also for the younger generation. Every child born today or any day this year will start life burdened with a debt of \$7,000 which is the debt that each of us bears right now.

Yesterday I had a letter from a constituent who was being harassed by the Department of National Revenue. He has a mortgage of something like \$7,000, which is a lot of money for many people. Because of the Government's bungling, each child starting life as of now will have a \$7,000 debt on his or her back. That is a shameful admission to have to make, Mr. Speaker.

This morning the Canadian dollar stood at 78.20 cents compared to the U.S. dollar. It has climbed a little bit. Treasury bills were quoted at 10.45 per cent earlier today which suggests to me that when the Bank of Canada rate is announced tomorrow at one o'clock it will be in the order of