

*Borrowing Authority*

since 1968 the railways have been receiving branchline subsidies which cover operating costs as well as overhead and profits to be reinvested in rail lines, amounting to \$278 million.

We have a situation, Mr. Speaker, where the Minister of Transport, in his announcement to the press, is saying that up to \$900 million a year could be provided for the next three or four years in railway upgrading funds. That would be paid for by the Government and the taxpayers of Canada. We cannot accept those kinds of proposals by the Government without some commitment of some kind as to what is going to take place. The railways talk about expansion and what they intend to do. The Government should tell the railways firmly that the transportation system needs to be upgraded in an orderly fashion, that they have the franchise to do it, and if they do not have the necessary funds they will be provided and then the Government will have equity in the railway system. As the system is improved and returns a profit, the equity would be to come back to the Canadian people. Instead, the Government makes proposals without any firm commitment.

• (1550)

In its announcement about upgrading its facilities, CP Rail has said that it intends to go to tender for the main tunnelling work at Rogers Pass toward the end of 1983, assuming that the Crow legislation is in place and that economic conditions improve. That is the type of thing that has been going on for years, Mr. Speaker. We do not have a policy that will meet the needs of a transportation system such as the Government of the early 1900s had with its vision of a transportation system across the country. Ultimately it was built. The Government should look at transportation in a more realistic way and spend money in a more responsible manner.

When the railway is upgraded and the system is able to carry twice the present capacity twice as fast and twice as efficiently with less diesel power and fewer grades to be navigated, there will be a profit and there should be a payback.

I should like to deal with another project in British Columbia with which the Government is involved, Mr. Speaker. Hundreds of millions of dollars of federal and provincial moneys have gone into a northeast coal project, to set up infrastructures and new communities. In southeast British Columbia, however, over 20 million tons of coal per year are being shipped from the Kootenays, but 2,000 employees have been laid off. How can we watch municipalities being put out of business while new competing ventures are financed by the federal and provincial Governments? It does not make any economic sense that the Governments would finance a new venture that would put an existing operation in another part of the Province out of business.

The changes to the Crowsnest Agreement will mean that the Government will be caught up in the process of swindling more than \$450 billion worth of coal deposits out of the Province of British Columbia. There are 50,000 acres of prime coal land that have been turned over by the Province to the railways and in turn, through the Crowsnest Agreement, to the federal Government. These are now held in the name of the federal Government. If the Crowsnest Agreement is changed in any

way, the lands should revert to the Province of British Columbia for the benefit of the people in the Province.

These are the kinds of things that the Government is getting into. I asked the Minister of Transport (Mr. Pepin) whether he had been approached about the development of those coal lands in southeastern British Columbia. He said that at this time there was no demand for the coal but that there had been three or four applications or requests for information about the coal lands. I purposely asked him if the Fording Coal Company, a subsidiary of CP Rail, was one of the applicants, but I did not get an answer. It seems to me that this is another indication of the federal Government's dancing to the tune of the railway system, especially CP Rail. This is wrong, Mr. Speaker. The country must have an economic expansion plan with regard to transportation, manufacturing, employment, and so on, in order to ensure that Canadians get the best possible value for their tax dollar.

The Government of Canada has a responsibility to every Member of Parliament to present a budget that they can scrutinize. They should be able to put forward their views and hear from the Government how it intends to deal with a very serious situation caused by years of poor management on the part of the Government.

Students leaving school today are offered only a band-aid program in which the Government sets aside some money for student employment programs which are underfunded. In my riding \$216,000 has been allotted to student employment programs, but there are applications for over \$600,000 and they are still coming in. Students want to earn some money so that they can return to school in the fall. It is a sad situation in this country when over two million people are out of work and close to that number are on welfare, unemployment insurance benefits are running out, and the Government has no concrete proposals to offer that would deal with the very serious situation.

**The Acting Speaker (Mr. Corbin):** Order, please. The Hon. Member for Halifax West (Mr. Crosby).

**Mr. Howard Crosby (Halifax West):** Mr. Speaker, let me begin my remarks on the report stage of Bill C-134, the Borrowing Authority Act, by underlining the effect of this measure not only on the Canadian economy but on Canadians. By permitting the Government of Canada to borrow an additional \$19 billion to finance the escalating spending deficit—now over \$26 billion and headed for \$30 billion—Parliament is increasing the national debt to \$160 billion and pushing this debt toward the \$200 billion level. Let me remind Canadians that the national debt was \$31 billion when the Prime Minister (Mr. Trudeau) was appointed—not elected—to his office.

What does a national debt of \$200 billion mean in real terms? Simply this: every Canadian, man, woman and child, must, on average, pay \$8,000 to eliminate this debt. But we know that many Canadians have no financial resources so we must place the burden on the ten million Canadians who are employed or have taxable resources. This would increase the