

Borrowing Authority

Mr. Speaker: Order, please. The hon. member for Saint John (Mr. Ferguson).

Mr. Ferguson: Mr. Speaker, the words "old Scrooge" do not seem to sit very well with me as a new member. I wonder if this is really parliamentary language.

Mr. Speaker: Order, please. The hon. member for Yorkton-Melville.

Mr. Nystrom: Well, Mr. Speaker, I see you are not going to rule on this but if you did I would change the word to "clown".

Some hon. Members: Hear, hear!

Mr. Nystrom: I have learned all these things from watching the Minister of Finance when he was in opposition, listening to his rhetoric and reading his speeches. It strikes me as strange that there would be such a conversion on the road to Damascus as we have seen by this minister across the way. Before the election he and his party were the progressive party; after the election they became the Conservative party. Perhaps we can now call them the regressive Conservative party, Mr. Speaker.

Just before the debate the hon. member for Regina East (Mr. de Jong) remarked to me that perhaps the new name for the Prime Minister (Mr. Clark) should be "R. B. Clark" because of the economic policies he is following in this nation which perhaps are leading us into another recession that might be even more serious than the great recession. But it strikes me as rather strange that the Minister of Finance should pick as his first bill to introduce to the Canadian Parliament and the Canadian people a bill to borrow \$7 billion. It is especially strange because the Conservative party spent so much time in opposition talking about the national debt being too high and how it would wipe out the national debt. It said it would not have deficit financing, yet the first bill that has been brought into the House is a bill to increase the national debt.

• (1650)

I did some research to see whether or not the Conservative party really believes in reducing the national debt in Canada. I looked at what some Conservative party governments were doing in comparison to other political parties across Canada. For instance, in Alberta, which has a Conservative government, despite its wealth the average per capita debt in 1976 was \$1,880. But in the province of Saskatchewan, which has had a NDP government for years—and we are always being accused of having grandiose schemes; even an Alberta friend of mine accuses us of that once in a while—its per capita debt was only \$980.

Then we have wealthy Ontario, where "Big Billy" is now dancing and fighting against "Little Joe". With about 40 years of Conservative governments, what was the per capita debt in Ontario? It was \$2,059. And what about Newfoundland, where the Minister of Finance cut his teeth and did his training? Under that tremendous leader, Joey Smallwood, and later on under another tremendous leader, Frank Moores, the per capita debt in that province was \$3,274. I suggest, Mr.

[Mr. Ferguson.]

Speaker, that those statistics show where the Conservative party really stands. It will not keep the debt where it is. It will increase the national debt in this country and put an even larger burden upon the children of the nation who will be growing up, working and living here in the years ahead.

I ask why. Why is Scrooge MacCrosbie doing this? Why is this guy, this gallant Newfoundlander who is taking food from the children and making it difficult to put clothes on their backs, doing this? He says, "Well, we have to borrow money; we have to increase interest rates." Interest rates are the highest ever in this country. The rate is 14 per cent. They are the highest ever in the country. He says, "We have to do that because we have to support the Canadian dollar; we have to borrow that money so we can pay off the debts which the previous government ran up."

We are borrowing money to pay off our debts. We are increasing our debt so we have to borrow even more money to pay it off. That is like taking an enormously obese person and trying to remedy his obesity by feeding him with candies and cake. This government is making the problem worse by borrowing more and more money in order to pay off the debt which the Liberal government for years and years ran up. Unfortunately, my friend from St. John's is following and pursuing exactly the same course as his predecessors.

Why do we have the problem? Why does the dollar drop? Why is the Bank of Canada increasing the interest rate? I think the reason is relatively simple. The dollar is a reflection of our economy. It is a mirror. When the Minister of Finance gets up in the morning he looks in the mirror and sees himself. So too is the dollar a mirror. It reflects the economy of this country. The currencies of Germany, Japan, France and Switzerland are strong because the economies of those countries are strong. They are strong because they have had some sound economic planning. They have done their own things. They have manufactured their own goods and they have made the best possible use of the manpower and skill they have. Yet in this country we have not been doing that at all. Just look at the outflow of money in dividends and interest from Canada because of the tremendous foreign ownership that we have. I hear some Conservatives interjecting across the way, defending once again the policies of the former Liberal government, I suppose.

Mr. Benjamin: No difference.

Mr. Nystrom: But I look at the facts. It seems the hon. member is concerned about being in bed with the Liberal party. I suggest if he goes to bed with the Liberal party he had better keep a firm hold on his pyjamas.

Some hon. Members: Oh, oh!

An hon. Member: We are speaking from experience.

Mr. Nystrom: I do not know which interjectors are easier to handle, the one from my own caucus or the ones from across the way.