

Borrowing Authority

Mr. Mazankowski: The New Democratic Party cannot take much solace in the results of that by-election in Brandon-Souris either. Members of the New Democratic Party promenade around the country and speak in the House implying that they speak for western agriculture.

Mr. Huntington: They are not even in the House.

Mr. Mazankowski: It should be noted, according to the reports I have, that the New Democratic Party did not win one rural poll in the constituency of Brandon-Souris. I guess we know what the people of Brandon and the surrounding area think of the New Democratic Party's policy.

I was interested as well in the challenge of the Minister of State for Finance when he was responding to the Hon. Member for Broadview-Greenwood (Ms. McDonald). He suggested to her that if we were to pass Bill C-155 this would immediately trigger \$15 billion worth of investment to create jobs. That is really stretching it a bit, Mr. Speaker, if we base that contention on the record of the Government in the past and on the promises made during the last election, particularly those of the Minister of Agriculture (Mr. Whelan), as well as the promises contained in the Speech from the Throne which started this first session of Parliament.

We westerners are still looking for the \$4 billion western development fund that is supposedly still being kicked around. However, it has literally vanished. It is now being suggested that this fund might find its way into the rail transportation Bill. But that was an exchange for the very generous energy agreement negotiated by the people of Alberta in terms of rechanneling some of that money back to western Canada for needed industrial development. Nevertheless it was vanished.

I should also say to the Minister that perhaps he could point out to his colleague, the Minister of Transport (Mr. Pepin), not only the inadequacies and the divisions within that Bill but that it is incomplete. That Bill is a bureaucratic nightmare, incomplete and divisive. It enjoys literally no support in western Canada. If the Government brought in a Bill that could have a modicum of support in western Canada, then the Bill might proceed in an orderly fashion. However, that has not occurred.

We are dealing here with a Bill in which the Government is requesting another \$14.7 billion to help cover its \$31.3 billion deficit. As has been pointed out by previous speakers, particularly by the Hon. Member for Vancouver Centre (Miss Carney), the Government requires some \$26.7 billion. It has currently \$16 billion in borrowing authority. The Government's requirements are really \$10.7 billion, but it is asking for \$14.7 billion, \$4 billion more than it needs.

The obvious question is, why this additional money? What does the Government need it for? The first thing that comes to mind is that this Government is putting together another porkbarrel fund. In other words, an election slush fund. It will distribute this fund in a manner in which its individual Members of Parliament can go about the country making grandiose announcements, all in the name of recovery, but essentially in the name of trying to bolster sagging Liberal fortunes.

We have just dealt with the budget that is supposed to have in it a special recovery component. Yet it fails to address, I would say, the three most important elements of the Canadian economy, elements which could generate some new growth and some new wealth in the country, namely the agriculture sector, the energy sector and the small business sector.

I want to deal with those things in a moment, but first I think it is fair to say that the budget presented last month also failed to address some of the long-term issues, such as the structural defects that we must face currently. A recent study by the C.D. Howe Institute pointed out that 40 per cent of our unemployment is due to the recession and that 60 per cent of the unemployment, or approximately one million of those unemployed, is a result of the structural problems that exist within the Canadian economy. Those structural deficits have to be dealt with, but they were not dealt with in the budget and they do not appear to be addressed by the Government in terms of its over-all approach to economic policy.

• (1230)

The issue of productivity must also be addressed because it ties in with our ability to compete in the international marketplace. We all know of the importance of exports and the vital role they play in the wealth of the total Canadian economy. Over 30 per cent of our economic activity is attributed to exports. In order to capture that market and further penetrate it, we must be competitive. In 1982 our productivity dropped once again. Statistics Canada reported that the industrial output for each hour of work dropped during that year by .6 per cent, unit labour costs rose by 11.4 per cent as production dropped and labour compensation climbed 4.5 per cent. When we add all these together, we realize that they further deteriorate our competitive position and reduce our productivity even more. Our productivity record is the worst among leading industrialized nations of the world.

I believe as well that the budget failed to address the issue of worker training and retraining. It failed to ensure that we could mesh more accurately job requirements with skilled trades and develop skilled trades to meet job demand. These are the kinds of long-term issues which we need to address but which were not addressed in the budget.

As the Hon. Member for Crowfoot indicated earlier, we have to approach economic issues in a twofold manner. We must maximize efficiency in terms of Government expenditure, trim the fat and get rid of the deadwood. At the same time we must inspire and rejuvenate the private sector and wealth-generating enterprises in the country. I singled out the three areas in which this could occur, namely the energy industry, the agricultural industry and the small business sector. Notwithstanding the fact that the Minister of Finance (Mr. Lalonde) paid a great deal of attention to and said all the correct things about, the need to inspire the private sector and to use it as the main engine of economic growth, upon closer examination we find that these were merely buzz words that were not backed up with any realistic policy.