

and on the basis of past performance you can expect the debt to increase year by year.

The Canadian public is getting some pretty sophisticated explanations about why this borrowing is necessary, where the money goes and what the problems are. When the Minister projected the amount of borrowing or deficit financing that would be required this year, he did so on the basis of an interest rate calculated by the Department of Finance. It should be pointed out that with interest rates climbing as they have in the past two weeks, an additional one-half of 1 per cent interest means that our debt increases by \$750 million. It is clear that we do not need the \$29.6 billion in total that has been applied for by the Government. However, if interest rates keep climbing, as they may very well, those additional dollars the Government is asking for now could quickly be used up.

● (1220)

The Liberal Party has criticized members of the Conservative Party over the months and years particularly for not having any solid solutions or plans. I have one, Mr. Speaker, which I would like to offer to the House for its consideration. It is a very specific proposal to try to deal with this national debt. I would propose, Mr. Speaker, that we have a user fee, not one which most people talk about, but a political user fee. What that would mean, Mr. Speaker, is that any government could borrow as much money as it wanted. At the end of the year it would have to account for the money. It could do that on the basis of, for instance, zero balancing on its accounting, if it likes. At the end of its term of office—although at the end of each year would be better—the government which has borrowed this money so it can buy votes would then have to make an accounting. The political party that formed the Government—the Liberal Party of Canada in this case—would then be responsible for the interest rate which was charged on the national debt at the time.

That is a very interesting proposition, Mr. Speaker, because it would mean that the Liberal Party, if it chose, could spend another \$10 billion. However, if it did not take in enough revenue to cover what it spent, that Party would have to pay the interest rate on the money. That Party could use the money as often and as much as it wanted as long as it would take the responsibility at least for paying the interest on that money as time went on.

That is an idea which may not gain immediate popularity with the Liberal Party, in particular, because if that proposition is used as a basis of the responsibility of the Liberal Party of Canada to the Canadian people, I am afraid it would be a very long time before it would be able to meet its obligation and fulfil that responsibility.

I would like to suggest that on the basis of its record, both past and present, the Liberal Party has established a record of performance which, if continued, will in fact bury this country. However, seeing what we are being presented with now in terms of leadership candidates for the Liberal Party, I believe the Liberal Party in fact will be well represented by John Turner *ad infinitum*.

Borrowing Authority Act

Mr. Derek Blackburn (Brant): Mr. Speaker, I would like to speak briefly this morning in the debate on Bill C-21, an Act to provide the Government with borrowing authority. This Bill, as it is written, allows the Government to borrow \$29.55 billion for the fiscal year 1984-1985. Out of this amount, \$25.6 billion is for actual expenditures in 1984, plus another \$4 billion for emergency spending such as to shore up the Canadian dollar in foreign exchange markets. As we all know, the Canadian dollar at the present time *vis-à-vis* the United States dollar is slipping. That borrowing authority is also to be used to cover up government mistakes in planning its expenditures.

In total, we are talking about \$30 billion. When I first came to this House some 13 years ago, that amount was a lot of money. It still is a lot of money when you consider from where we have to borrow it. I do not believe the Canadian public is fully aware of the reasons why the Government is asking for so much money in borrowing authority. I would just like to give a very brief rundown on some of the major reasons we are debating \$30 billion in borrowing authority this morning.

First on the list, of course, has to be the Canadian débâcle. Canadian had the largest single loss in one year of a Canadian company. It was in excess of \$1 billion. Another débâcle, in this Party's opinion, is the Petroleum Incentive Program, the PIP grants which were given to the large oil companies. In one year that has cost the Government in revenue approximately \$1.6 billion. The Liberal slush fund, the great porkbarrel of the 1980s, cost \$350 million. There are the deferred corporate taxes. The latest figures we have are \$22 billion in deferred corporate taxes for 1980. That is going back almost four years.

In addition to that, there was the lowering of taxes for high-income earners, such as doctors, lawyers, accountants and other professional people, which was in the 1984 Budget. If you put that all together, we have lost additional revenue of some \$25 billion. That would almost close the gap in our borrowing. We would then be talking possibly in terms of borrowing only \$5 billion, using simple arithmetic figures. It is, of course, not quite that simple, but nonetheless it does serve to illustrate the reasons this Government deserves to be defeated at the next election.

This Government has been in power too long. It has become insensitive. Government expenditures are made for the wrong reasons, as far as this Party is concerned, and at the same time it is borrowing to pay for its past mistakes. But what has the Government done with such essential services and worth-while investments as post-secondary education? It has cut back on post-secondary education. It is also cutting back on the rate of financial assistance to the provinces for medicare. We could have one of the best medicare systems in the world. In fact, we did have a very fine medicare system until the late 1970s when the federal Government and the provinces went to block funding and the provinces were no longer accountable dollar for dollar to the federal Government as to how that funding would be spent. Now medicare itself is in jeopardy.

The Government is constantly talking about hundreds of millions of dollars in job creation. Yet the unemployment