

Borrowing Authority

follow. We have this kind of turmoil. That is why we have these unreasonable demands on Members of Parliament, asking us to pass Bills such as this \$19 billion blank cheque.

I want to be constructive. I will give a case history in Canada that should be followed. The recent example I would point to is my Province of Manitoba. We have a Government that has been moving ahead, giving explanations, consulting people, telling them what it intends to do. If it requires money, it tells the people what is going to be done with it. There have been decreased federal transfer payments to Manitoba which, of course, has hit the Manitoba economy very heavily. Consequently, there is more of a deficit than was anticipated.

I wish to draw to the attention of Hon. Members some of the philosophy being used in Manitoba that could be incorporated into coping with the needs of the whole country. I have great admiration for the fact that creativity and innovation have been evident in the Province of Manitoba regarding the number one problem, namely, unemployment. I am amazed that the Province, which is often considered to be a have-not Province, places such emphasis on job-creation and meeting the basic needs. It does not just have make-work projects, but works with the municipalities and non-profit organizations in an attempt to deal with the unemployment problem, making sure that the job-creation measures deal with the existing needs.

In addition to recognizing the high rate of unemployment and shrinking revenues, which is common for Provinces such as Manitoba, it has had a re-priorization of some of its expenditures. In citing this case history, as an example, I am impressed with the fact that the Government of Manitoba has shown compassion and care.

If there was evidence of caring on the part of the federal Liberal Government, I could maybe try to understand why it is asking for \$19 billion. Several weeks ago the Government asked us to place the pensioners of Canada under the six and five regime at a time when the cost of living and inflation has been much higher. We have not seen the care and compassion we would expect the Government to exercise for the needy people of this country.

The six and five legislation also applied to the Family Allowance. Here again we have not seen any compassion or caring such as is evident in my Province of Manitoba. I would urge the federal Government to think about this more seriously.

Perhaps one of the greatest examples I can cite regarding the Manitoba Government is that it has demonstrated co-operation and consultation. One area where it has demonstrated this most clearly has been in its consultation and co-operation with the unions. One of the major unions in Manitoba is the Manitoba Government Employees' Association. Through consultation and co-operation, the Government has reopened the contract which had been agreed on by both parties. We do not have the type of legislation that we have seen in Quebec. There has been a voluntary reopening of the contract, a voluntary cutback in the increase for the next period of time. This money is being channelled into a job-creation fund.

These people are participating. Other unions, associations and groups will be invited to participate in this. They are already participating in terms of discussion with the Government as to urgent priorities and needs and ways in which, together with the Province of Manitoba, they can deal with the problem of unemployment. These unions will be looking at ways in which this job-creation fund will be allocated.

Looking at this whole consultation process, I am amazed when we see that the new summer youth program will not have the local advisory board reactivated. The Minister of Employment and Immigration (Mr. Axworthy) has decided to not cultivate this co-operation. These are things that are necessary.

I see you rising, Mr. Speaker, to indicate that my time has finished. I urge the Government to look at these approaches of being creative, innovative, caring and co-operative. I leave that with the House to consider.

Mr. Gus Mitges (Grey-Simcoe): Mr. Speaker, I am pleased to take part in this debate on Bill C-143, the supplementary borrowing authority Bill. As previous speakers have already stated, this Bill, if passed, will provide authority for the Government to borrow up to an additional \$5 billion in new money for this current 1982-83 fiscal year and up to \$14 billion in new money for fiscal year 1983-84. Without question, the total borrowing authority of \$19 billion granted in this Bill is the largest borrowing Bill in our country's 116-year history.

To add fuel to the fire, this is the second time this year that this Government has sought to increase authority by more than the requirements that had been projected in its most recent financial forecast. The deficit today is 28 per cent of all expenditures. In other words, for every \$4 the Government spends, it must borrow \$1.

The Government keeps telling us that the federal debt is \$134 billion. However, when one adds the total debt of the Crown corporations of \$55 billion and the \$49 billion in pension funds that the Government has appropriated, the real debt is closer to \$240 billion. The June and October budgets of 1982 failed to provide economic and fiscal projections for the current fiscal year. Common sense should tell us that this is dangerous because it creates uncertainty and leads to unwarranted and destructive speculation in the financial markets as to the state of the federal Government's finances. No banker, Mr. Speaker, would grant a line of credit to a financially crippled business which refused to provide cash flow projections. Indeed, a private enterprise with revenue which only equalled 70 per cent of expenditures and a gross debt which was more than triple the value of its assets, would be forced into bankruptcy.

• (1640)

There is no question that the poor economic performance will continue to have a negative impact on the finances of the Government as the cost of social assistance rises and revenues stagnate or fall. Any recovery which may occur is likely to be a weak recovery and, as such, will only have a moderate impact