

Borrowing Authority

They complained when we cut the money to the CBC. They said that it was terrible. When we cut back on transfers to the provinces, they said that that was terrible. When we cut back some indexation in the Income Tax Act, they said that that was terrible. When they knew that we were spending nearly \$12 billion on unemployment insurance and that we were not getting value for it, what did they say? When we established the Forget Commission to do something about it and to make some suggestions, they said that under no circumstances should we follow its recommendations because we might wind up getting value for the money spent on unemployment insurance in terms of training people, putting people back to work, and making the country more prosperous. They said: "Don't do that". When we increased taxes on gasoline, they said that we should not do that. How are we supposed not to have borrowing authority?

I would have thought that the Opposition would have taken a leaf out of some of the statements made by the Progressive Conservative Party when it was in opposition on these kinds of Bills. We pointed out to the Government of the day that there was waste and inefficiency in the unemployment scheme. We pointed out to the Government of the day that there were problems which might be cut back in terms of money to the CBC. We said that certain efficiencies could be had in transportation. We said that there were certain efficiencies which could be had in disposing of Crown corporations, that the Government did not have to pour out more and more money for those corporations to stay alive. We pointed out that there might be some productivity and growth in employment if they were sold off.

They do not make those suggestions. They do not give us a concrete method by which we can come to grips with the financial problems of the country. They just say: "No, don't spend here", "no, don't tax there", and "no, give me more". More, more and more is not effective opposition. Those Parties could not govern the country. They are not prepared to come to grips with the problems of the country or to look at our true fiscal imbalance.

Even this year, having increased taxes as we have, and having decreased expenses as we have, we will be short in terms of the money requirement to carry the country next year by \$21.6 billion. In other words, we will not take in enough to cover our expenses. We have a real problem. We would expect suggestions from the Opposition on how to solve the problem, but we have not had a suggestion.

How are we doing? If we look at the budget problems since we took over, as the Minister mentioned, we were borrowing 28.8 per cent or 5 per cent less than we had been borrowing. The fact is that our deficit as a per centage of Gross National Product is down by 39 per cent, and our borrowing requirements as a per centage of Gross National Product are down by 42 per cent. It is a pretty simple situation. It is like that of a home owner earning \$50,000 per year and having a \$50,000 mortgage. In that event one has real problems. However, if perchance one's salary goes up and one has a gross family

income of \$75,000, it is substantially easier to carry that \$50,000 mortgage.

Because of good management of the country and the fact that we have been able to have growth in the country which is higher than in any other OECD country, we have been able to come to grips with the debt problem. That debt problem, while enormous and totally wrong in itself, and while we should not be borrowing money we cannot pay with current taxes coming in, is less of a problem today than it was last year or the year before. We are getting our hands and arms around it, and I think the Minister of Finance (Mr. Wilson) and the President of the Treasury Board (Mr. de Cotret) ought to be congratulated.

Mr. Manly: Madam Speaker, I have just one brief question for the Hon. Member. He indicated that he did not think there was a very effective Opposition. I have looked at where the Conservative Party is in the polls. Where does he think his Party would be in the polls if there were in his mind a truly effective Opposition? Would it be down at 18 per cent, 15 per cent, or 12 per cent? How effective does he want the Opposition to be?

• (1650)

Mr. Blenkarn: Madam Speaker, I am glad the member has raised the issue. One of the major problems we face is that over many, many years a great number of Canadians became used to the free lunch. They are encouraged in that expectation of a free lunch by the New Democratic Party and by the Liberal Party which promise all things to all people because all you have to do is have the Government get it for you. As we cut back on the free lunch, we get a number of people upset with us. We are prepared to take that penalty, but I do not think the Opposition is. It is about time the Opposition started being responsible. After all, if the New Democratic Party is so high in the polls, perhaps it can show Canadians where it is going to get the money for all the free lunch items which it keeps on demanding, crying for and mewing about in this House.

[Translation]

Mr. Barry Turner (Ottawa—Carleton): Mr. Speaker, I have a question for my colleague from Mississauga South (Mr. Blenkarn).

[English]

He referred to the Hon. Leader of the Official Opposition (Mr. Turner) when he was Minister of Finance in 1975-76, the year he left office. In that year the Auditor General, Mr. MacDonnell said:

I am deeply concerned that Parliament—and indeed the Government—has lost, or is close to losing, effective control of the public purse—

As you know, Madam Speaker, the current Auditor General, Mr. Ken Dye, in his report to the House of Commons for the last fiscal year made a comment under a very interesting headline entitled "Spending Public Money Wisely" which reads: