

*Borrowing Authority Act*

omnibus legislation which is totally reprehensible and has been turned down. It has been ruled on by the Speaker but the end result is that it was turned down by the House. I believe that the House acknowledges that this form of legislation is totally wrong.

I hope the government has learned that it should never again try to use this type of legislation where two or more bills are combined and put in one package. The government should not try to slide this kind of legislation by the House, using its majority to force it through. That is not acceptable to the House of Commons and such legislation should never be used again.

Let me say at the outset that after the comments made in committee the other day by the Minister of Finance (Mr. MacEachen), for this minister to come to the House and ask for permission to borrow \$6.6 billion is totally in contempt of Parliament and in contempt of the Canadian people. We are being asked to vote on something when we have no idea what the end result will be. The minister himself said that he wants us to approve \$6.6 billion borrowing authority, but he cannot tell us what the balance will be. He is saying to us, in effect, "Buy this used car from me. It does not work, but I am not going to tell you how much it will cost to fix it. I will come back and charge you more money to fix the car." That is what he is saying to the Canadian people today and it is totally wrong.

The minister has admitted that the estimates made in November were wrong. In committee the Minister of Finance said that he was wrong. In the November budget the estimate was \$10.5 billion but I maintain that today this figure would be around \$17 billion or \$18 billion. Other economists in the country would say that the estimate is probably closer to \$20 billion.

Why does the minister come back to the House and ask us for borrowing authority? Surely the Minister of Finance has gone through the numbers and knows the total amount he will have to borrow this year because of the change in his deficit requirements. That \$18 billion means about \$1,900 per taxpayer. That is a lot of money to ask from Canadian taxpayers.

Let me point out that at current rates of interest the effect of continually borrowing, deficit after deficit, is that every five years the amount doubles. If we have an \$18 billion deficit today, in five years' time that will be \$36 billion. The call on the Canadian taxpayer ten years from now will be \$72 billion. For the government to ask for a blank cheque now is totally wrong.

We know that the economy is weak but we knew that in November. We knew we were in a recession then and we were telling the minister that we were in a recession, but he ignored us and said: "We will do business as usual. We do not believe we are in a recession." All around him people were saying the economy was in a recession but he ignored reality. He ignored the impact of the size of the deficit on the economy.

Today small-business men who are trying to keep a business going are struggling against the competition of the Government of Canada in the marketplace. They are struggling to get

money at high interest rates. It is that competition from the Government of Canada that is forcing interest rates up in this country. The farmer, the home owner and the businessman are caught in the same spiral.

The minister spoke about restraint and said that we have to get used to restraint. Who is he trying to kid, Mr. Speaker? Last year the minister proposed an increase of 22 per cent in government spending. If that is restraint, when will the government get going and spend some real money?

I do not know whether the minister has been told by the Minister of Finance to come into the House and do this, but to have the audacity to request authority for \$6.6 billion when he knows there will be a request for another \$6.5 billion or \$7 billion or \$8 billion of borrowing authority in three or four weeks time is totally irresponsible and totally in contempt of this Parliament.

This is a large amount of money, Mr. Speaker. It is very hard for Canadians to understand amounts of that size. I said that it represents about \$1,900 per taxpayer. That is not just a figure that floats around Ottawa, it is a figure that is of concern to all Canadians. The size of the deficit and speculation about its ultimate size is causing great uncertainty in the financial markets of the country and in foreign exchange markets. It is one of the reasons the Canadian dollar is trading below 78.39 cents U.S. today.

One of the things that we have to recognize, Mr. Speaker, is that as pressure on the Canadian dollar continues, the response of the Bank of Canada, as always, is to increase interest rates. Those increased interest rates are felt by all Canadians, those running small businesses, the home owner, the farmer, the fisherman. All Canadians suffer from high interest rates. They are at the heart of the weakness in the economy today. We have to understand that it is not just a problem that is felt in Ottawa; it is a problem for all Canadians.

On a number of occasions recently the Minister of Finance has used the flim-flam of trying to confuse Canadians by saying that the Canadian dollar is weak because the U.S. dollar is strong. Now, isn't that a great statement? There have been many times in the past when the Canadian dollar and the U.S. dollar are strong against other currencies, but why is the Canadian dollar weak and the U.S. dollar strong today? It is because the Canadian government is not following sound policies. Inflation is 5 per cent or 6 per cent higher here than in the U.S.; the U.S. economy is starting to turn around but we are still going straight down. That is why the Canadian dollar is weak. The marketplace has no confidence in Canadian government policies. The level of the dollar at 78.39 is the verdict of the marketplace. It is the barometer of the success or, as in this case, the failure of government policies. It is not just the budget but a series of policies which have led to the weakness in the dollar. It is the problems arising from the NEP, last year's budget and the federal-provincial squabbles which go on and on, provoked by the Prime Minister (Mr. Trudeau) and the Minister of Finance.