

# HOUSE OF COMMONS

Monday, February 28, 1983

The House met at 11 a.m.

• (1105)

## GOVERNMENT ORDERS

[English]

### SUPPLEMENTARY BORROWING AUTHORITY ACT, 1982-83 (NO. 3)

#### MEASURE TO ESTABLISH

The House resumed from Friday, February 25, 1983, consideration of the motion of Mr. Lalonde that Bill C-143, to provide supplementary borrowing authority, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs; and the amendment of Mr. Skelly (p. 22957).

**Mr. Alex Patterson (Fraser Valley East):** Mr. Speaker, on Friday I placed on the record a few of the facts which call into question the Government's right to expect the taxpayers of Canada to grant borrowing authority in the amount of another \$19 billion. I should like to add several more items to the sorry list that underscores the reasons the Government does not deserve the confidence of Canadians at this time and why, as spokespersons for these Canadians, we voice their frustrations and resentments.

In 1968, Canada's standard of living was the third highest in the western world, second only to Sweden and the United States. By 1980 we had fallen to eleventh place. Over the past few years our industrial productivity has been rising at the slowest rate of any major industrial nation. Borrowing costs in Canada are higher than those in most other industrialized nations. Our unemployment rate is the second highest of any industrialized nation, and the inflation rate is the third highest in the same category of nations.

Spending in 1982-83 alone increased by 20 per cent on a national accounts basis or by 19.6 per cent on a public accounts basis. Spending on the national accounts basis is now equal to 26 per cent of the Gross National Product. The net debt last year was \$94 billion, and this year it is expected to be \$122 billion. The Auditor General indicated that in his estimation the expenditures are understated by about \$14.5 billion.

This Bill calls for an additional \$19 billion of borrowing authority—\$5 billion for the remainder of 1982-83 and \$14 billion for the year 1983-84. Of course, we all expect that there will be additional borrowings. The amendment says that the \$14 billion be not granted at this time but that the Bill be referred to the Standing Committee on Finance, Trade and

Economic Affairs. Surely this is a reasonable request and I think the Government should agree to it.

This Party has proposed an all-Party committee to study the Estimates and advise on reductions, but of course one could hardly expect the Government to accede to this request because it has already outlined its programs and very seldom do the discussions on Estimates have anything to do with changes that may be made. I think, however, there are two factors that should be carefully considered. First is the impact of this borrowing on our taxpayers. I am sure we would all agree that we have about reached the point where any further borrowings, any further deficit or any increase in taxation will have a most detrimental effect on our whole economy. Many Canadians are staggering under the load of taxation already and this will add further to that burden. Second is the immorality of mortgaging the future of our children, our children's children and generations yet unborn. I suggest that the Government has not established any credible reason why it should be asking the taxpayers for authority to borrow this amount now.

• (1110)

**Mr. Lloyd R. Crouse (South Shore):** Mr. Speaker, I welcome the opportunity to speak on Bill C-143, which seeks \$5 billion in supplementary borrowing authority for the current fiscal year ending March 31, 1983 and \$14 billion in interim borrowing authority for the 1983-1984 fiscal year.

This is the largest borrowing bill in Canadian history ever to be introduced in the House of Commons. It was introduced without a formal forecast. What we had given to us by the Minister of Finance (Mr. Lalonde) were a few figures thrown out to justify his increased requirements, which in effect is treating Parliament in a shameful and degrading manner.

On February 17, 1983 the Minister stated that the projected budgetary deficit for the current fiscal year will rise to \$27.2 billion, up from \$23.6 billion since the October statement. However, since no figures were given to back up these numbers two questions arise. What will interest costs be and how much revenue will be collected from personal income taxes? Nobody seems to know, not even the Minister of Finance. He has refused to provide us with a forecast outlining the Government's financial requirements for fiscal 1983. All he seems to be saying is "Trust us. We need \$14 billion for the beginning of next year just to get started. Do not ask us how much more we will need before next year ends."

How can there be any trust when one looks at the track record of this Government? For example, just two days after the Estimates were tabled, at least two Government spending