

government's absolute obsession with imposing upon the House a continuous gag of closure, of time allocation.

I submit, Madam Speaker, that that notice just given to you is completely out of order. Debate on report stage has not even started. You can hardly talk about time allocation when the government has not even called Bill C-62.

I submit that that is the utmost of incompetence. I reserve the right to make comments at the appropriate time when the bill does come before the House. I also submit that at this time that notice is completely unacceptable, irreceivable or whatever other word I could use to tell you, Madam Speaker, that it is out of order.

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[Translation]

BORROWING AUTHORITY ACT, 1990-91

MESURE TO ENACT

The House resumed consideration of the motion of Mr. Wilson (Etobicoke-Centre): That Bill C-65, an Act to provide borrowing authority, be read the second time and referred to a legislative committee.

Mr. Jean-Guy Hudon (Parliamentary Secretary to Minister of National Defence): Madam Speaker, I would like to make two points on matters that were raised. First, I would like to comment on a matter raised earlier by the hon. member for Saint-Boniface when he suggested concerning the debt, that revenues were increasing. I was not referring to revenues at all, I was referring to the percentage of federal expenditures that were going to debt servicing. Of course revenues will increase. But let us not confuse the issue. Of course revenues increase, but a larger proportion are going to debt servicing.

I heard my colleague say earlier in his comments: "You neglected the debt. It is increasing at an incredible rate". I agree. But if we look at the technical papers that were prepared along with the budget—you can believe it or not—but a debt keeps increasing if you don't pay it off. And when we have 30, 40 or 20, 10 or even a single dollar's worth of deficit in a financial year, obviously we are not paying off our debt.

Madam Speaker, I think Canadians should understand—I think they understand, but I get the impression

that the economists opposite don't understand—that when we took over, we inherited a debt of 200 billion. Obviously we haven't paid off a cent, because every year, we have a deficit although it is declining annually.

When you don't pay off a debt, the interest piles up. The interest alone on those \$200 billion will have added up to \$150 billion in 1990? Meanwhile, the debt keeps piling up. It doesn't need us to increase. We have done our share by bringing the deficit up to 30 billion. However, we are no longer adding to the deficit because we now have a balanced budget. And so the debt will stop piling up.

We have a balanced budget that will meet the demands of our regular expenditures. All we have to do is find a way in our Budget to pay for your expenditures which in the course of time have accumulated to reach the sum of \$350 billion.

Mr. Duhamel: Tell us about the last four years.

Mr. Champagne (Champlain): We reduced your debt.

Mr. Duhamel: Not true!

Mr. Champagne (Champlain): You don't understand a thing!

Mr. Duhamel: Look who's talking!

The Acting Speaker (Mrs. Champagne): I am sure the hon. member for Gatineau—La Lièvre would like to make a few comments.

Mr. Mark Assad (Gatineau—La Lièvre): The hon. member is spouting figures right and left, and here are a few figures that give a very clear picture of how you operate.

Compared with 1984-85, income tax, for all practical purposes, has increased by more than 3 per cent.

An Hon. Member: Personal income tax!

Mr. Assad: That, while corporate taxes have gone down. It seems to me it is pretty clear how you intend to finance this country's debt!

Mr. Michel Champagne (Champlain): I would like to ask my colleague a question, because he raises the subject of companies that pay less tax than they should.

Is it not true that in 1984, when the Conservative government took power, there were tax loopholes whereby individuals could buy boats outside the country, for example, or 200,000 Canadian companies paid no