

Borrowing Authority

We have witnessed what I consider to be a disgraceful performance on the part of the Minister of State for Finance (Mr. Cosgrove). He gave a sad explanation of the Government's fiscal stance. The Minister confused in his remarks borrowing with spending, with unallocated funds, and said that we have hundreds and thousands of pages of Estimates showing where the money is to go.

That is not what we are here to discuss. We are here to discuss the question whether a Government should be entitled to borrow money without presenting a fiscal plan for that borrowing for the fiscal year commencing on April 1 next. We are dealing with an amendment to Part II of this Bill, which deals with borrowing which is to take place in the fiscal year 1983-1984. We in this Party have moved an amendment to reduce that borrowing authority for that fiscal year to one dollar. We made that motion after a great deal of soul searching and thought as to where this Government and the Parliament of Canada should go.

• (1140)

I first of all want to quote to the House what the Minister of Finance (Mr. Lalonde) said on October 27, 1982, as reported on page 20081 of *Hansard*. On that date the Minister said:

In the budget I intend to present early in 1983, I will review again the fiscal situation for the current fiscal year, set out estimates for 1983-84 and future fiscal years, and then seek additional borrowing authority as required.

The Minister finally, after a great deal of persuasion in Committee, gave us a reasonable explanation of the economic position of the country with respect to the current fiscal year. He has absolutely totally and completely refused to give us any proper projection with respect to where we are going in the year 1983-1984, as he promised to do.

Therefore, it would be totally improper for this House to authorize that Minister to go to the public of Canada and borrow money for some cause for which he has no plan and, for some method of proceeding for which he has no direction from this House of Commons.

Mr. Speaker, we are not so naive as to believe that the Government can get along without money. We are not so naive as to believe that we are somehow, by halting the Government in its tracks and, by opposing the borrowing under Part II of this Bill, going to stop what is going on in the country and prevent old age pensions being paid, the NEED Program being carried on, and the like. We must take a look at the financial situation of the country as it presently exists. That is what I would have thought the Minister would have dealt with this morning. But the Minister did not do that.

On March 18 the Minister had on deposit with chartered banks in Canada \$4,310 million. The Minister has already borrowed illegally, as we all well know, by taking advantage of Section 39 of the Financial Administration Act, \$1,100 million from the marketplace. This Bill, as it now proceeds, will give the Minister an additional \$3.9 billion in borrowing authority.

If we add what the Government has presently in the bank to the borrowing authority here, the Government will have, should this Bill with the amendment pass, the right to borrow

or have at hand a total of \$8,210 million. That is more than enough to carry this Government through, at least until the May 24 holiday. And that is all the freedom this Government should have. This Government has an obligation to present to the people of Canada a budget, and it can do that. The Government promised to do that, and we call upon it to deliver on its promise.

Mr. Blais: So let us pass the Bill.

Mr. Blenkarn: We will not pass a Bill that allows the Government to get out of its promises. This Government promised to come before the country early in 1983. We are already into the spring of 1983.

Mr. Cosgrove: It looks like winter to me.

Mr. Blenkarn: We have no indication when it will bring forward a budget. It would be totally wrong for this House of Commons to allow the full borrowing set out in Part II of the Bill to proceed. We have suggested in our amendment that it be reduced to one dollar, that is to say, no borrowing without a budget. The Government does not need any borrowing without a budget. It has enough money to carry on well into May and it has ample opportunity to produce a budget tomorrow, next week or immediately on April 11 when we come back here. It has ample opportunity to produce a budget, ample opportunity to give a proper financial accounting to the people of Canada and ample opportunity to give the people of Canada projections to show where it is taking us. Indications so far this year are that it is taking us down the road to total and complete financial collapse.

In the Estimates produced by the Minister of Finance on November 12, 1981 for this current this fiscal year, the Minister forecast revenues as being in excess of \$80 billion. The Minister now forecasts revenues of only \$66 billion, a drop in revenues of over 17 per cent, yet we are expected to approve borrowing without a forecast of what the revenues will be and without even a forecast of where the Government is going to constrain expenditures. The Government expects to just produce an estimate of what it would like to spend and tells the House of Commons that it is entitled to borrow it—borrow it or borrow more—and maybe print it. Our party has real concern about the fact that since November of last year the Bank of Canada has monetized to the extent of \$1 billion, which is nearly 10 per cent of the cash available in the country.

We must be responsible, as Members of Parliament, to make sure that our country is managed properly. It is totally ridiculous and utterly unfounded to allow the Government to come to the country and say that it is entitled to borrow \$14 billion without a budget, without a projection, or without a statement in any form as to where we are going.

We would have opposed Part I of the Bill had the Minister of Finance not made reasonable disclosures to us in Committee. Indeed, Mr. Speaker, you will recall that the debate in this House ran on for many days and was finally terminated by closure. That debate would not have had to be terminated in