

*Borrowing Authority Act*

authority in respect of something it should have brought forward in advance, allowing us a proper opportunity to appraise the situation.

You may ask, Mr. Speaker, why we want to embarrass the government in this way, by changing the November 1 date to some other date. Obviously if the government is caught in this deal it will be caught royally, because it will not be in a position to close the Canada Savings Bond issue. I suggest this is one instance when we must take the minister's words at face value. We must accept what he said literally, and I think he misled the House. I think it is in the interest of every hon. member to hold him to his word.

Last Friday when I asked the minister directly if he had the authority to close the Canada Savings Bond issue he replied categorically that he did. That reply was in direct contradiction to the evidence given before the Standing Committee on Finance, Trade and Economic Affairs—a truly remarkable thing. Having given that reply, we should take the minister at his word. If he does not really need, or does not rely on the November 1 date, he should support this motion which simply states that authority will come into effect after royal assent, whenever the government wants to proclaim it. That is what we are saying in this amendment.

The reason we included the words "after royal assent" is simply that we did not want the government to play games. Had we simply said the government would have authority following royal assent and by proclamation, the government might retroactively have proclaimed the act, effective November 1.

Let us check to see what the minister actually said in respect of this direct question. He was asked a question by my colleague, the hon. member for St. John's West (Mr. Crosbie), as to whether he had sufficient authorization available to close the Canada Savings Bond issue, to which the minister replied that he had. Let me read into the record exactly what was said as it appears in *Hansard* of November 10, at page 1008:

Mr. Speaker, my question is directed to the Minister of Finance. I would first like to congratulate him for being here in the House of Commons—I know this is a busy period—when 20 of his colleagues are away. He is one of four who are here.

You will recall, Mr. Speaker, that the hon. member corrected that, saying it should have read "one of 14 who are here".

The hon. member went on as follows:

My question is this: yesterday at the finance committee—

AN HON. MEMBER: Where is your leader?

MR. CROSBIE: Listen to them bray over there, Mr. Speaker. Yesterday at the finance committee, in answer to a question as to where the authority would come from to cover the present Canada Savings Bonds issue, the parliamentary secretary to the minister said there would be between \$3 billion and \$4 billion of the current Canada Savings Bonds issue authorized by Bill C-7.

My question, therefore, to the minister is this: is it the position that unless Bill C-7 is passed by parliament, there cannot be completed the current sale of Canada Savings Bonds which is to total, in gross, from \$6 billion to \$8 billion; that these bonds cannot be sold and the transaction consummated unless Bill C-7 is passed? Is that the reason the minister agreed to drop his abominable \$10 billion additional imposition of authority for next year?

[Mr. Stevens.]

The minister in his reply said:

No, Mr. Speaker, we are not afraid that the Canada Savings Bonds issue will not be pursued. There is no problem. We have enough borrowing authority to go through with the campaign. We hope this bill will be passed as quickly as possible, as we need the authority to carry on for the rest of the year after that campaign.

On the basis of that answer by the minister, I think it is proper for us to assume that he does not need the retroactive date. It was made very clear to the committee that this date dovetailed with the Canada Savings Bonds issue. If that is the only reason for this inclusion, then I suggest it should be removed. Rather than the November 1 date it would be better to have the act come into force on the date following royal assent, by proclamation.

We should make it very clear that the minister, in giving that answer, was counting on everything working in his favour. He clearly hoped, for example, that the line of credit to which I referred would not have to be utilized too quickly. We have been pressing the government to indicate whether the borrowings of Petro-Can represent obligations on the part of Canada or are, as the ministers have been implying, some other kind of strange things such as borrowings, but not borrowings that obligate Canada. One of the reasons we are pressing is that surely, when considering the over-all debt position at the federal level, including the authority to borrow even more money, it is absolutely essential to have a definition of what is included in the debt calculation, and what is excluded.

● (1612)

That is why I suggest that members who may agree to join in this debate on Bill C-7 should do so bearing in mind that we are dealing with the whole conscience of why we are here. It is the question of parliament's control of governmental expenditures, including governmental borrowings.

When this bill was at second reading I put certain facts on the record about how desirable it would be to get better control of expenditures. I mentioned that the debt level in Canada is almost triple what it was a few years ago. I would reiterate that because I think it is absolutely essential that parliament regain its position as the controller of Canada's treasury. I therefore urge hon. members to support my motion. I feel this would be a better piece of legislation if it were made clear that it will only be operative from the time parliament passes it, as opposed to being retroactive to November 1.

The more I think about the consequences of the government's borrowings, the more I reflect on what its attitude seems to be with respect to \$671 million it has to put up for the purchase of 48 per cent of Pacific Petroleum Ltd. I become alarmed particularly when I hear the attitude of my colleagues to my left, the socialists, who have been egging the government on. Today they presented a motion under Standing Order 43 urging members on the government side to go further. I presume the thrust of that motion was to encourage the takeover of the whole resource industry in Canada and be done with it.