

*Borrowing Authority*

and forecast the kind of pressure that will place on our economy. I understand the Government currently has in the neighbourhood of \$115 billion in unmatured Government debt. That is debt that has not yet come due but will in the near future. We are now arriving at a situation where the debt load itself is adding to the deficit significantly. Presently, \$1 out of \$3 in revenues that come to the Government are going to service the debt itself. Every third dollar coming into the Canadian Government is going out to pay the deficit with which it is currently faced. Half of this year's deficit comes from financing deficits accumulated over the past few years. This becomes even more significant when you think about the fact that over the next four years we are projecting high budget deficits of over \$25 billion per year. Government spending is now 26 per cent of the Gross National Product which is having a very significant impact on the Canadian economy and all Canadians. Eighty-four per cent of the savings of those who put their money into a savings account for a period of time is going to be needed to meet the financial requirements of the Government.

• (1115)

Therefore, the Government will be in a situation where it will be forced to grab a very large chunk of available funds that would normally be allowed to go into the regular economy to stimulate it, and create the jobs and the opportunities which all Canadians want. I am thinking particularly, as youth critic for my Party, of the young people who so desperately need employment opportunities at this point. The unemployment rates for our young people are running between 23 per cent and 25 per cent. The projections of the Canadian Conference Board indicate these rates will continue in that fashion well into the 1990s. This is a very serious situation and it demonstrates the future of our country and our economy.

Speaking of the future, this is one of the big concerns that we have with this borrowing Bill. Essentially, the Government is borrowing against the future of our country. Our young Canadians must realize that their future is in a sense being mortgaged to finance the present situation, which has a significant impact in the country. It destroys investor confidence which in turn does not create jobs. Those people who are unemployed are forced to collect Unemployment Insurance, putting a further drain and pressure on Government spending. It forces a whole cyclical approach.

When confidence in the country's future is destroyed and you start to borrow against it, pressure is put on interest rates. Interest rates become a very important factor when you are trying to turn an economy around. This is significant to a small, struggling business that employs, three, five, six, or eight people. Interest rates are one of the biggest expenses people in small business are forced to face in the every day existence and survival of their business. With those high interest rates and the pressures associated with it, jobs are threatened. Once again, the whole cycle starts rolling again.

Then there is the pressure that is put on the dollar. That has a particular impact on Canadians because we tend to import many things on which we rely for our day to day living; for

example, food in the winter and clothing. This in turn puts pressure on the Canadian economy.

Instead of trimming the fat of Government spending, this Government continues to carry on in much the same tradition that we have seen over a period of time. There is the whole idea of the pork barrel. We saw that recently in the Gillespie coalgate affair. We have seen the Prime Minister (Mr. Trudeau) hire his friends; for example, the architect for the American embassy. We have seen mismanagement in some of the Crown Corporations. The most significant one of late that has been the topic of discussion in all our newspapers is Canadair. There are some concerns with Canadair. Canadair should be a topic of discussion before Parliament. We have to discuss those types of issues and address the very serious problem as to whether or not the taxpayers' dollars are being well spent and well invested.

Another area of Government expense that I find most aggravating is what we call advocacy advertising. We saw that most glaringly in two recent examples. The first one occurred during the constitutional debate. We saw the beautiful geese flying across the water. The Canadian taxpayer was paying for that. It was an advertisement advocating a particular position which was not yet the position of the Canadian people or of Parliament; it was simply the position of the Government, the Liberal Party. We saw it very recently, in the last few weeks, in terms of the advertising of the Crow rate issue. We know what is happening today in this regard. The Government is spending a significant amount of money to put forward its position on the Crow rate at the expense of taxpayers. We have to look very carefully at some of the areas in which we could begin to trim Government spending.

• (1120)

Of course we would like to encourage entrepreneurs to get out and enrich the country, which would essentially increase revenues to Government, by creating opportunities and employment. Instead we find the Government stifling them by continuing policies such as the National Energy Program, which is of particular interest to myself. In my riding unemployment quadrupled as a result of the National Energy Program. What happened was that a number of small Canadian firms that were struggling in the oil industry for ten years to 15 years and had increased their employees from two or three to perhaps 15 or 20, supplied welding material, cars, trucks, oil, gas, or whatever were the particular needs of the oil rigs in the area. But when the National Energy Program came in, all this suddenly ground to a halt. The net result was that unemployment in my area went up four times because of one program that instead of increasing revenues, which seemed to have been the Government's purpose, actually resulted in lost tax revenues and unemployment in my area rising.

We have concerns for small-businessmen. There are many things we could do in order to create opportunity for them. I receive constant mail about the paperwork they are required to do. It is becoming so complex and technical to operate small