

*Borrowing Authority Act*

levels of investment citizens. There are the ordinary citizens attempting to set up and continue a small business or farm who operate at high interest rates, a money from the bank situation. Their competitors, the large, publicly-traded and incorporated firms, are able to get their funds at lower rates. Not only do they get them at lower rates, but they are able to pay much lower taxes than the individual attempting to get the economy going by starting his own business, operating a farm or a service industry.

The giving up of money which the Government has allowed has created inequities. It has not solved the problem of deficit spending. In fact, it has exacerbated it, creating more hardship for Canadians like you and I. What can be done? There are a number of areas where some expenditure would help. There are a couple of areas where we proposed to make expenditures where we should have second thoughts. One is just a small one, but it is very important. It gives an impression to the world and to Canadians regarding what we think of expenditures and the use of tax funds. I refer to the proposal to expand the size of this House. It will involve an annual cost of \$14 million to \$15 million, not big in the scheme of things. It would add 28 Members with concomitant staff. The people of Canada will not be better represented by having an additional 28 Members and another 100 and some staff members. There are better ways to create employment. That is one area where Members on all sides of this House should act to show there is some concern for public expenditures. It would in a small way to show that some effort is being made to get public expenditures under control.

Our Party has put forward a number of proposals that would increase the gross national product and not increase the public debt. It would provide a great many jobs, particularly for young people who are discriminated against when it comes to job availability. A certain number of jobs can be created by improvements to municipal infrastructures such as bridges, sewer systems, changes to the railways that go through certain cities, and ports. A great deal needs to be done in the way of public and co-operative housing. There is still a great need for housing and the very act of creating housing is one of the useful job-creating tools which is still available to this economy.

● (1630)

For the long term, forestry regeneration must be addressed now. Our forests are not being regenerated as quickly as they are being depleted. Forestry regeneration is something that cannot wait. It takes 80 years to 150 years in parts of our country for a forest to revitalize and regenerate. We cannot afford to be without an adequate supply of forestry products for that amount of time, so it is very crucial that we address reforestation now.

Along with reforestation, we can improve the spawning habitat of some of the fisheries by reducing the amount of silt flowing into the river system, thus improving and enhancing the ability of those river systems to spawn fish. Then, rather than cutting back on the amount of fishermen who are allowed

to fish along our coasts, we can meet their requirements and provide fish stocks for those fishermen. There would then be regrowth and regeneration in that important sector of our economy.

During the so-called Crow rate debate, we outlined a transportation policy for most of Canada that I think is still very apropos and must be acted upon soon. This policy consist of rebuilding and combining the two railway systems so that they can be operated in a more efficient manner.

I see that my time is coming to an end, Mr. Speaker. Last but not least, there is one area of federal Government spending for which there is a great need and which will produce a great many benefits now and in future years, and that is an increase in the amount of money that the federal Government provides for post-secondary education. I think that training the young people who are waiting to get into our labour force is of utmost importance in an age of high technology and rapid change. Well educated people have a better opportunity to survive the kind of rapid change that is about to occur in the economy, both in this country and in the world, and expenditure in education is probably one of the best investments that we could be making at this particular time.

I believe that if we look at reducing the incentives and giveaways made by way of accelerated depreciation and forgivable capital gains on ISIPs, we could easily finance the expansions to the economy which I have mentioned. This would result in more jobs, a reduced deficit and an increased Gross National Product, the first steps toward getting the economy back on the road to recovery.

**Mr. Paul E. McRae (Thunder Bay-Atikokan):** Mr. Speaker, I suppose that this is the eleventh or twelfth year that I have been called upon to speak on a borrowing authority Bill and some years I have been called upon to do so two or three times a year, so I am certainly not new to this kind of Bill. When I listen to speeches made by Hon. Members on the other side of the House and particularly to speeches made by members of the Tory Party, I find that a great many of them use raw numbers without offering any kind of explanation or understanding of the meaning of those numbers. For instance, they talk about a deficit of \$29.8 billion as if it existed in some kind of a vacuum. It is a large amount of money, but no figure exists in a vacuum. One must deal with deficit numbers in terms of the Gross National Product and in terms of things like the gross capital formation or the savings ratios. Understanding these things are all fundamental to understanding the nature of the deficit.

Another thing that is very fundamental to understanding the nature of the deficit is understanding the way that money is spent and in which ways one could cut back on the deficit. I hear many Members on the other side discuss how we could reduce the deficit at a tremendous rate. I think that the Tory finance critic is being very honest when he says that reducing the deficit hurts very badly and that they will have to be mean about it. I guess that is what must be done if we really want to cut the deficit.