

to so few. We have inherited this and we will have to make some difficult decisions to manage it effectively. As the House knows, we have already made some decisions and we will have to make some more.

On May 7, 1984, Professor Lipsey, senior economic adviser of the C.D. Howe Institute, gave a speech at the Conference Board of Canada financial conference in Toronto. He said:

The best contribution that public policy can make to removing unemployment is, first, to get the deficit quickly under control so that a better balance of less expansionary fiscal policy and a more expansionary monetary policy can be adopted.

Professor Lipsey went on to say:

Once we realize that cutting public sector deficits allows easier monetary policy we will have taken a fundamentally important step towards creating a more receptive climate for investment and risk taking.

The House knows that our priority is to reduce the federal deficit, and we will. We will target our talent and dollars at winners or potential winners to help our lost generation of young people find jobs. To do this we will need the co-operation and support of the private sector. In my opinion, there is nothing wrong with that.

The Premier of Ontario, when speaking of the deficit recently, said, "You cannot take more out of something than you put into it". We are now trying to right the wrongs of Liberal pasts.

Since 1980, the investment, tax and energy policies of the former Liberal government have caused a flight of job-creating capital from this country that is without precedent in our history. Seventeen billion dollars of direct investment capital has left Canada which could have been used to strengthen our capital base and create jobs. Liberal programs such as the national energy policy and the Foreign Investment Review Agency were catalysts which set off a chain reaction of destruction throughout our economy, helping to turn a global recession into a made-in-Canada catastrophe.

In 1980, the Liberals told Canadians they would buy back Canada, that foreign investors were no longer welcome. They did not really buy back Canada, Mr. Speaker; they borrowed it back, replacing foreign equity with foreign debt. That huge outflow of equity, much of it Canadian, has been a major reason why our dollar has fallen from 88 cents to 75 cents American since the 1980 election. That outflow of equity is also one reason for our high interest rates. If Canada had not offset that outflow of cheap equity with an inflow of expensive debt, our dollar would have sunk like a stone.

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We now have a wonderful opportunity to show domestic and international investors that Canada is still an excellent place in which to invest. In short, encouraging investment in this country is a top priority for our Government.

However, I ask the House to be patient. I believe the borrowing authority Bill we are discussing today is essential. If we do not borrow these funds, the Government will be forced to break its undertaking to Canadians and to Canadian institutions. We have financial, legal and moral obligations. If we do

### *Borrowing Authority*

not borrow these funds, then I ask Hon. Members opposite to tell the provinces, the welfare recipients, the old age security recipients that they will not get their cheques or to tell those on unemployment insurance that the well is dry.

There is no question but that we must borrow this extra money. The kinds of programs that we are embarking upon now will ensure that three, four or five years from now we will not have to do this again.

**Mr. Nunziata:** Mr. Speaker, the Hon. Member indicated that the Government has a financial, legal and moral obligation to pass this bill. Does he not believe that there is any obligation to the House to indicate the nature of the spending rather than simply asking us to sign a blank cheque without knowing full well the particulars of what we are approving?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker I do not have to remind Hon. Members of the condition the fiscal affairs of this country were in when we took office. I recall asking the Minister of Finance (Mr. Wilson) about the condition of the books, and he said that I would not like to see them. We are coming to grips with these concerns which are the result of a Government that has been living beyond its means for a very long time. It had to stop.

We are doing everything in our power to make intelligent, honest and rational decisions that will benefit the people of this country from coast to coast. Therefore, we must ask for financial support from the House so that we can make the kind of decisions that will allow us to implement programs that will get us all back to work soon.

**Mr. Robinson:** Mr. Speaker, the financial statement of the Government would indicate that cuts are being made in a number of areas which affect the Hon. Member's constituents. In this Bill, the Government is asking us to approve \$16 billion in expenditures for the fiscal year 1985-86. One area of concern for us is the effect this will have on public servants. The Hon. Member represents a constituency in which there is a large number of public servants. Would he indicate whether he agrees with the decision of the Government to postpone, to use its words, the implementation of those sections of the Canada Labour Code which would provide protection to employees of the Government under federal jurisdiction, including public servants and others, with respect to maternity leave, occupational health and safety and a number of other important areas? Does he support the decision of his Government in this respect?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, I thank the Hon. Member for his excellent question. I am not entirely familiar with the Canada Labour Code. The Hon. Member for Burnaby (Mr. Robinson) is correct in saying that many of these cuts will affect my riding, but I think that the cuts that are being made will affect all ridings across the country without exception.

I have had representations from public servants in my riding who are concerned that they will be directly affected by some of these cuts. I can assure the Hon. Member and the House