

*Borrowing Authority Act***PENITENTIARIES**PROJECTED CONSTRUCTION OF PRISON IN MANICOUAGAN  
CONSTITUENCY

**Hon. Bob Kaplan (York Centre):** Mr. Speaker, in the absence of the Solicitor General, my question is directed to the Prime Minister. The Prime Minister knows that the Nielsen task force recommended that prison construction stop, and that would apply to the prison which he is proposing to build in his own riding.

● (1500)

In view of the reference of the Nielsen report to a committee for parliamentary review, is the Prime Minister willing to see that construction stop, to have the committee review it and decide whether this additional prison is required in the Province of Quebec and, indeed, in the whole correctional system of Canada.

**Hon. John C. Crosbie (Minister of Justice and Attorney General of Canada):** Mr. Speaker, in the absence of the Solicitor General, I would like to reply on behalf of the Government that the Nielsen task force, as the hon. gentleman knows, presents a series of options that can be considered by standing committees of this House, which were never asked to consider anything by the former regime. After the relevant committee has looked at the report and the justice system, I am sure it will make recommendations to the Government which we will then consider. At the present time there is no change in plans.

**GOVERNMENT ORDERS**

[English]

**BORROWING AUTHORITY ACT, 1986-87**

## MEASURE TO ENACT

The House resumed consideration of the motion of Mrs. McDougall that Bill C-99, an Act to provide borrowing authority, be read the second time and referred to a legislative committee, and the amendment of Mr. Deans (p. 11570).

**Mr. Speaker:** Before giving the floor to the Hon. Member for Winnipeg-Fort Garry (Mr. Axworthy) who had the floor before the luncheon recess, the House might want to clear. The Hon. Member for Winnipeg-Fort Garry ought to have the right to speak to a House that is not in motion. Order, please. Resuming debate. The Hon. Member for Winnipeg-Fort Garry has one minute remaining.

**Hon. Lloyd Axworthy (Winnipeg-Fort Garry):** Mr. Speaker, just to conclude the remarks I was making before lunch, the fact that the Prime Minister (Mr. Mulroney) was unable to gain any kind of recognition of the serious problem faced by western farmers because of the U.S. farm Bill, and because he

did not come with any amendment or any change that would ensure that the western grain economy will not fall flat on its face, creates very serious economic problems for the country. We hope in the consideration of how the Government will spend all that money it wants to borrow that it will pay proper attention to the needs of the western farmers.

**Mr. Svend J. Robinson (Burnaby):** Mr. Speaker, I am pleased to rise and speak on the borrowing authority Bill. In the Bill the Government has asked Parliament to authorize the borrowing of \$22.6 billion to finance its programs. We as parliamentarians must examine very carefully the direction being set by the Government before granting it the authority to borrow.

Upon what must we base our judgments, Mr. Speaker? Clearly, the most obvious statement of the Government's intentions flows from the recent Budget, and it is that document we must examine in determining whether to grant the Government the borrowing authority it is seeking.

What are the most noteworthy features of the Finance Minister's Budget? First, it increases taxes on average Canadians, just as the May Budget did and the November economic statement before it. At the same time as it eliminates the 5 per cent surtax on the wealthy, it imposes a 3 per cent tax across the board on all Canadians. Effectively what this does is to apply a tax cut for high income earners who, last year, paid a 5 per cent surtax, and an increase of \$170 in tax a year as a result of the 3 per cent surtax to the average family income tax earner in 1987, which is on top of all the other taxes piled on by the Conservative Government since it came to power in September, 1984.

The second major feature of the economic direction of the Government is to cut back on a number of important government programs. Finally, the Budget does nothing whatever with respect to the overriding and essential priority of Canadians at this time, that is, jobs, job creation and new employment for Canadians.

All of us remember the promise made by the Prime Minister during the election campaign of jobs, jobs, jobs. Yet, Mr. Speaker, we have seen a lost generation, half a million young people between the ages of 15 and 24 who want to work and who cannot find jobs. For them that promise is but a bitter memory of the past.

This Budget is unfair and it is a failure. It is unfair because its tax increases fall heaviest on those in our society least able to pay. It is a failure because it will not provide the stimulus the economy so badly needs to deal with the crisis, not just the economic crisis but the personal crisis of 1.4 million Canadians who are out of work and the personal crisis of the 4.5 million Canadians who live below the poverty line. The Government will effectively choke off economic recovery in Canada. Why has the Minister of Finance (Mr. Wilson) imposed a new round of taxes and cut-backs which will have the effect of taking money out of the hands of consumers and out of local communities?