

Borrowing Authority Act

savings in Canada this year. To indicate to anyone in this House, as the previous speaker tried to do, that the borrowing by this Government does not affect private industry and its borrowing is pure balderdash and he knows it.

This is the largest borrowing request by any government in Canadian history. More important, contained in this Bill is \$4 billion that is intended to be used as a slush fund. It begs the question: Is this because the Government is worried about its forecasted revenues? Is it because the Government is planning some grandiose spending scheme prior to the upcoming election? Is this slush fund to be used once again to buy the voters of Canada with their own tax dollars?

We talk about the economic climate in Canada today and how we can improve it so that government expenditures will be reduced. In the last week or so, the Minister of Finance (Mr. Lalonde) indicated in Question Period that Canadians are sending their money offshore or to the United States because of the higher interest rates there. He accuses Members on this side of the House of being one of the first to do that. He told our socialist friends to my left that they would be the first to move their money to the United States if they could earn more by investing there, and that is why interest rates are going up.

Has it not occurred to the Members of this House that we should have a stable climate in this country, where investors can have confidence in what will happen to their investments? We would then have a capital inflow and a drop in our deficit. Has it ever occurred to Hon. Members that every month we pay \$1 billion in the form of unemployment insurance to people we are telling not to work? In order to keep the unemployment figures down, we are paying people to go to schools and universities for training. This is paid out of the unemployment insurance fund and exceeds the \$1 billion.

It is lunacy for this Government to come forward with a borrowing authority that contains a \$4 billion slush fund. I do not trust the Liberal Government to use that money wisely. It is like me going into a bank and applying for a \$50,000 loan when my requirements are only \$40,000. If I told the bank manager that the extra \$10,000 was for a slush fund, just in case, the bank manager would run me out of the building. Every Member experienced with borrowing money from an institution knows that would happen. The person who authorized the loan containing the slush fund would be fired from his job. The people of Canada should fire us if we do not stop this spendthrift Government from gaining access to a \$4 billion slush fund. That is the main point before us today.

We know that the Government requires authority to borrow money. We know the economic mess the Government is in and therefore it has to continue to borrow. We know this must happen because we cannot shut down everything overnight. Bills have to be paid. However, we also know that no government going into an election campaign should have at its disposal \$4 billion to throw at the taxpayer. That is our concern today with this borrowing authority. Remember, too, that the borrowing authority is 96 per cent of all savings across Canada. That is the disaster.

Has the Government deliberately underestimated the deficit? Was it a political ploy that at the time of the last Budget the Minister underestimated the deficit? Was it deliberately underestimated? There are clear signals in the Budget that that is what was done. Was that done so that the Canadian people would not know before the election how disastrous this Government's economic policies have been? Is that the reason? Now the slush fund is to be increased by \$4 billion. Will the deficit really be \$4 billion higher, or is it a slush fund for an election? Clearly their fiscal projections lack confidence.

● (1250)

The tragedy of this borrowing authority points to the tragedy that exists from coast to coast. A million and a half people are unemployed because the economic climate has dropped so drastically. The tragedy of the unemployed across the country exists because the Government has created, over the past 15 years of Liberal administration, a climate in Canada in which the world investment community feels it is no longer safe to invest. In order to invest in Canada, investors must go through a bureaucracy. Investors who look at opportunities in Canada throw up their hands and say: "Who needs it?" They say that because they feel their investment dollars are required all over the world in the emerging countries and they may move freely from one country to another.

As a result of the eighth borrowing authority Bill which has come before the House since 1980, the fundamental problem we face is that we have not established and maintained an investment climate in Canada which is trustworthy and for which the rules will not be changed. An investor must be able to say to himself: "I know what the rules are, I can invest for 10 years and I know that the Government will not, through retroactive legislation, confiscate some of my property". This has been done. It was done through the National Energy Program. We set the rules and we told investment companies to invest their dollars, to explore, to find us oil and gas and to invest in our mines. What did we do? A Budget was brought in that included the National Energy Program and said that we were going retroactively to confiscate some of the wealth that had been created—

The Acting Speaker (Mr. Guilbault): Order, please. The Hon. Member's time has expired.

Mr. Dave Nickerson (Western Arctic): Mr. Speaker, I think that before proceeding I should make reference to the fact that we are not debating the motion that the Bill now be given second reading but rather the amendment put forward by the Hon. Member for Parry Sound-Muskoka (Mr. Darling). His amendment reads as follows:

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"this House holds the opinion that the granting of an authority for the borrowing of a sum greater than the amount required to meet the government's needs to the end of the current fiscal year is objectionable in principle and this House therefore declines to give second reading to Bill C-21, An Act to provide borrowing authority."

Some Hon. Members: You are reading.