

American system? The fact is that in our system the cabinet can do whatever it wants. It can spend like drunken sailors, and it does. It can hide embarrassing information, and it does. It can distort the truth, and it does. It can ignore the wishes of the Canadian citizenry, and it does. All they feel is necessary is that near elections they put on the act they think the public wants to see, tell whatever fresh new lies are necessary to get elected, and that is all that is required. The only way that we could be less democratic than we are today is if we did away with elections altogether. And only the most naive would dismiss that as a possibility with that bunch.

Even as a debating forum our opportunities are being restricted. We wanted the opportunity given today to the Minister of Finance to make a statement, and for the opposition to be given a chance to ask questions of him so that the whole truth could get to the people of Canada. But the gurus on the other side said no. They are not interested in that. They are plainly not interested in talking about the economy. There are a million unemployed and the minister does not want to talk about that. Our dollar is only worth 88 cents and the Minister of Industry, Trade and Commerce (Mr. Horner) thinks that is the greatest thing that ever happened. I am sure if our dollar went down to a quarter he would be ecstatic. He would be beside himself with glee.

With the anti-inflation program ending we have no debate or discussion as to what is to follow on. I can understand that; the government does not know what to do. It has no idea of how to get out of this mess. It created a million unemployed with its policies. It created an 88-cent dollar with its policies. It created the regional disparity in this country with its policies and it does not know what to do. It is not going to allow parliament to discuss these problems because it is not in their interests to do so. The Liberals want the people to accept a lot of half-truths and mistruths and they expect with that formula they can get back into office. Mr. Speaker, I do not think the people of Canada are that foolish. I think the people of Canada recognize that this coming election is a vote of confidence in this government. They will look at the record and they will see that there are a million people unemployed. They will look at double-digit inflation and at all the blunders of this government, along with the half-truths, the mistruths and the outright lies that have come from this government, and they will vote accordingly, knowing full well that if they vote for the Liberals again they will get more of the same and that there may not be any country at the end of it all.

As Mr. Calami said in an article in Tuesday's *Citizen*, it will be interesting to see if you can fool most of the people all of the time. I do not think you can. I think this government are in for a rude shock when they get up their courage and go to the people.

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker, Clause 5 of the interim supply bill now before the House seeks a supplementary statutory borrowing authority of \$5 billion. It also seeks explicit authorization for the government to borrow in foreign currencies as well as Canadian dollars.

### *Supply*

Under the Financial Administration Act, only parliament may authorize the government to borrow money or issue securities. This requirement refers to borrowings that increase the amount of outstanding loans. The act gives the government a continuing authority to borrow funds to repay maturing debt.

The traditional procedure for seeking new borrowing powers is to attach a clause to supply bills brought before the House. However, this procedure provides no opportunity to debate the borrowing authority request because the clause is not part of the estimates discussed in standing committees and because supply bills are usually passed without debate. For these reasons, it was agreed in March 1976 and again in March 1977 to give the House an opportunity to debate the borrowing authority.

● (2052)

Hon. members will recall that last March, borrowing authority of \$7 billion was provided to meet anticipated cash requirements for the 1977-78 fiscal year. Authority to borrow an additional \$9 billion was sought and provided as part of the income tax bill passed in December. This request was made because it was recognized that the government's 1977-78 cash requirements were going to exceed the borrowing authority provided earlier and that an additional substantial margin was required then to meet contingencies such as foreign borrowings and the possibility of an advance refunding of maturing Canada savings bonds. It was anticipated that the contingency margin sought would in fact allow the government to meet a significant part of cash requirements for 1978-79.

The authority in this bill to borrow a further \$5 billion, together with the unused portion of the \$16 billion authority granted in March and December of 1977, should provide the government with sufficient borrowing powers to meet all cash requirements for the fiscal year 1978-79, and provide a margin as usual for contingencies.

To provide greater clarity, clause 5 makes it explicit that the borrowing authority covers foreign currencies as well as Canadian dollars. While this authority has always been implicit, and has not been questioned in our previous foreign currency issues, we think it is helpful to follow the example of other Canadian borrowers in this regard.

I now expect that cash requirements for fiscal year 1977-78 will total \$8.8 billion and as of now I am anticipating a cash requirement of about \$11 billion for fiscal year 1978-79.

[*Translation*]

My colleague, the President of the Treasury Board (Mr. Andras) has already announced that budgetary expenditures, as well as loans, advances and capital assets should represent \$48.8 billion in 1978-79, which is 9.8 per cent over the level forecast for 1977-78. Budgetary expenditures should increase by a little less than 10 per cent, with supplementary estimates and cancellations. As for loans, advances and capital assets, they should increase by about 6 per cent.