

Borrowing Authority Act

If the government have any love for Canada, they will not continue to sit in their seats, crassly letting the economy erode, watching national unity in our nation become more divided rather than united, watching our productivity decrease day by day. There is among Canadians a spirit of ill feeling about the country in which they live.

This is one of the saddest starts to any parliament that we could have. We hardly got started when the throne speech debate was interrupted in order to put two labour unions back to work. It was again interrupted so that the government, for the fourth time in one fiscal year, could come to parliament to ask to borrow more money which it does not know how it is going to spend. It has given no estimates to parliament and, therefore, to the people of Canada.

This has to be a sad day in Canadian history. It is a day of precedents. Never in the history of this country have legislators been asked to issue any government in any legislature any amount of money without some notion as to how it would be spent.

This government, with all the audacity it can muster, is asking for \$10 billion. For what? We do not know. Perhaps it will be used to build a swimming pool at Stornoway for the Prime Minister's retirement. Perhaps it will be used for gifts to give away at the time of the next election.

Some hon. Members: Oh, oh!

Mr. Malone: I hear the noise on the other side. As long as we are not told how it will be used, we have the right to guess. If the government will not expose how the \$10 billion will be spent, we have the right to go before the media in this country and make wild guesses with no more responsibility than a government which asks for \$10 billion without wanting the people to know why.

Some hon. Members: Shame!

Mr. Malone: I hear them on the other side. Perhaps this is a good note on which to end. The shame is on those who think they have the right to ask the Canadian people for \$10 billion without telling them how the government are going to spend it. The shame is a clear indication of the credibility of the source. I will resume my seat. We will let the Canadian people judge after the government have the courage to call the next election.

Mr. Duclos: Mr. Speaker, I rise on a question of privilege. Will the hon. member who just spoke be courageous enough to indicate to the House what he meant in his preliminary remarks when he referred to this country as having a British economy and a French government?

Mr. Malone: Mr. Speaker, I suggest the hon. member read *Hansard* tomorrow. It is well explained in there. If he wants to draw conclusions that are erroneous, that is typical of this government. I never did and never would slur against my brother who is French. I hold him in great respect, as I do all ethnic groups.

[Mr. Malone.]

There are those on the other side who may cause more division than unity in this country by doing as they have done. Whenever the words "French" or "English" come up in this House of Commons, they somehow try to reflect that it means something of a division. Surely the hon. member is of an age and has an education whereby he can interpret what he reads. If he wants to be suspicious, let him. However, if he has no facts, he should get some.

The Acting Speaker (Mr. Turner): Order, please. I suggest to both hon. members that is not a question of privilege.

Mr. Dan McKenzie (Winnipeg South Centre): Mr. Speaker, the purpose of Bill C-7 is to permit the government to increase Canada's indebtedness by a further \$7 billion in the current fiscal year ending March 31, 1979 from the debt level outstanding at March 31, 1979. It also permits the government to increase its indebtedness by an additional \$10 billion in the fiscal year ending March 31, 1980. It confirms the authority of government to borrow funds in any currency. Also, it amends the Financial Administration Act to confirm that borrowing authorities are cumulative and do not lapse with the maturity of debt issues.

Before this bill was introduced, the government had obtained borrowing authorities totalling \$2 billion in the current and previous fiscal years, 1979 and 1978. The \$7 billion borrowing authority requested by Bill C-7 will raise the total to \$28 billion. With this authority the government may increase the unmatured debt of Canada by 66 per cent in two years. What a disgraceful record! It clearly indicates that there is no control and no proper management. This government can be termed a blank cheque government headed by a lot of blanks.

● (1732)

This is the third time the government has requested an increase in the borrowing limit for the current fiscal year. That is hardly indicative of sound financial management. When the previous borrowing authority was requested in March of 1978, the Minister of Finance (Mr. Chrétien) claimed that it would be sufficient to cover all cash requirements for the current year. The minister has now proved his own claim to be false. He has not offered a proper explanation of what happened. The government seeks borrowing authority amounting to \$10 billion for 1980 without telling parliament or the Canadian people of its spending or revenue estimates and without specifying anything about the expected economic situation or the federal fiscal stance. The request for 1980 amounts to a request for the approval of a \$10 billion cheque which specifies neither the payee nor the financial status of the payor.

We have objected in principle to Bill C-7 and attempted, through a second reading amendment, to have the legislation defeated and withdrawn, which it should be. It is an absolute disgrace. Instead of trying to eliminate waste and provide proper management in the country, the first thing this government does is borrow more money. One would think the least it could have done would have been to give the new Comptroller-