

As far as the economy is concerned, the borrowing aspect of this Bill is mixed blessing. I would be very happy, quite frankly, to be able to stand up here in these economic times and feel that we were borrowing money which would help the disadvantaged and the unemployed in this country. Unfortunately, that is not what we are doing. We are borrowing a lot of money here to try to pay the bills of the Government and to look after the current spending programs. That money is not going to add one cent to help put people back to work, unfortunately. The reason for that is that in the past we have had such staggering deficits that now our hands are tied as we try to cope with the problems facing the Canadian people, problems with which the Government is committed to deal, those of getting people back to work.

Traditionally, since the Second World War, the way of solving these problems has been to spend money. Unfortunately, even with all the money we are spending, with a \$37 billion deficit, we still have a million and a half people unemployed in this country. That is a tremendous tragedy. I know that the Opposition shares my thoughts on that. There is no doubt that one of the saddest parts of this whole deficit tragedy, however, is the fact that our deficit, which is something like \$37 billion, is just about equal to the amount of money which the Government spends in any one year on social programs. Now we are faced with a situation where the deficit is the tail that is wagging the dog, instead of the other way around. Somehow or other we are going to have to get a handle on the deficit if we are going to be able to deal with this matter, Mr. Speaker, because the deficit has become a psychological barrier to solving the economic and unemployment problems of the country.

I have said on a number of occasions in this House that there are really three ways of getting that deficit reduced. First, we must reduce all of the unnecessary and wasteful spending carried on by past Governments for years and years. We have had reports from the Auditor General year after year outlining those specific areas of wasteful spending. This year has been no different. We have received another report which has outlined a vast array of government waste. In fact, the Auditor General says there are hundreds and hundreds of millions of dollars involved in wasteful spending which he has outlined this year.

One small way in which we can rapidly deal with a large part of the deficit and get it under control is with respect to the cash management of the Government. For years and years the Government has managed its cash in such a way, as indicated by the Auditor General, that we are losing about \$350 million a year just in lost interest payments because of the fact that when we get the money in we do not put it in the bank fast enough. That is surely something which can be eliminated very quickly. The Auditor General has also told us that the Government of Canada holds a great array of properties which are not being utilized for any specific government function. This year alone we are going to pay almost \$25 million in grants in lieu of taxes. So those are a couple of ways which have been

### *Borrowing Authority*

identified by the Auditor General in which we can get the deficit under control.

Until we do get the deficit under control, we are going to have to borrow some money, and that is what this Bill is all about. That is why I am pleased to hear this afternoon that the Opposition is finally going to join with the Government to pass this Bill which will allow the Government to borrow enough money to pay for all of the social programs which Hon. Members of the Opposition have told us all week they are so concerned about.

**Mr. Cyril Keeper (Winnipeg North Centre):** Mr. Speaker, I welcome the opportunity to enter into this debate. I must say that it took some time to convince this Government to have this debate before the House closed down for Christmas. It is too bad that the Government was not open enough to provide us with the consultation papers which it is promising for the new year. If we had that information available now, rather than after Christmas, it would have shed more light on this debate. Certainly, the statement of the Minister on policy earlier in the day did not shed much light at all. In fact, it continued the state of confusion from which we are suffering in this policy area. At one time the Minister said that one of his three principles for this area of social policy is that there would be no special tax on social programs. Later on he said that he disagreed with the position of our Leader when it came to taxing social programs. Therefore, it is hard to tell just where the Government is coming from. It would be worthwhile for the Government to provide us with information which would allow us to understand what direction the Government is seriously considering to take. Hopefully, it would alleviate a lot of concern which exists across the country and would allow us to have a genuine debate with regard to social policy, rather than being lost in a fog which keeps flowing from the front-benches of the Tory Government across to the opposition benches.

One of the fundamental problems with which we are faced in this House is the fact that this Government said one thing during the election campaign and now that it is in office is saying something totally different. This is not just restricted to the social policy area. The most prominent area in which the Government has carried on this practice of saying one thing during the election campaign and another thing when in office has to do with employment. Obviously if there were increased employment at this time, then there would be increased government revenues. We would not have to borrow the amount of money we are borrowing today. The Minister of Finance (Mr. Wilson) would not have to muse about not being able to afford social programs. During the election campaign, those Hon. Members promised, "jobs, jobs, jobs", and once they got into office, what they did was to shift their priorities pretty quickly. They focused their priority upon the deficit and upon cutting back on public spending, even in light of the fact that economic forecasters who examined the economic statement pointed out that its measures were going to result in greater unemployment. Obviously, that will result in a loss of revenues to the Government and the threat of a larger deficit.