

*Borrowing Authority Act*

● (1600)

Who in the private sector would enjoy that kind of luxury? How many small business people can go to their local bank, refuse to pay off their past debts, and still borrow additional funds? What company can tell its stockholders that it has lost millions of dollars once again, yet continue to exist or at least not change some executives? How many farmers can hold off their bankers indefinitely while running up deficits? These things can be done by Crown corporations, but not by individuals and companies in the private sector, Mr. Speaker. Every time the Government comes before the House asking for borrowing authority, what it refuses to do is to bring Crown corporations under these borrowing authority Bills.

If there is one thing the Government should be addressing and could be addressing when it is considering asking the House for borrowing authority, it is means and mechanisms to bring Crown corporations under borrowing authority control. The newly introduced Bill C-24 does not address that, Mr. Speaker. If nothing else, in considering what the Government is doing here in asking the House today for borrowing authority, it should think of means and mechanisms to bring Crown corporations within the borrowing authority of this Parliament.

**Mr. Douglas Roche (Edmonton South):** Mr. Speaker, it is with distressing frequency that I have found myself rising in this House to speak on Bills which seek to provide this Government with more money. Bill C-21 marks the eighth time since the election of 1980 that Parliament is being forced to provide this Government with more borrowing authority. Each time I have been shocked by the sky-rocketing deficit and the rising debt burden on Canadians. Each time I have been appalled at the colossal economic mismanagement underlying the Government's necessity thus to go into debt. And each time I have seen no end in sight, for nowhere are there signs of government restraint nor efforts to curb the kind of waste graphically described in every annual report by the Auditor General.

But the Borrowing Authority Act, 1984-85 is not like other borrowing Bills that we have seen and criticized in this Chamber for two reasons. The first is its magnitude; the second is its timing.

In terms of magnitude, Bill C-21 goes far beyond its predecessors. Members will recall that last year around this time the Government extracted \$19 billion in borrowing authority—at that time the largest borrowing Bill in Canadian history. This year, the Government not only matches that already astronomical \$19 billion, it antes up an additional \$10.55 billion, over 50 percent more. By demanding \$29.5 billion, Bill C-21 now has the dubious distinction of being the largest borrowing Bill ever to come before Parliament. Like a desperate gambler, this Government is taking enormous risks in order to keep playing its unfortunate game, and the stakes in this Government's gamble are nothing less than the economic well-being and indeed the solvency of the Canadian people.

As one indicator, the borrowing requirements in Bill C-21 are equal to 91 per cent of forecast personal savings in Canada for this year. If this borrowing Bill goes through, by the end of this fiscal year Canada's net debt will be \$180 billion, as compared to \$17.7 billion in March 1968. That represents \$7,000 to \$8,000 for every man, woman, and child in Canada. And the future looks even more grim. The Government's budgetary projections are that net debt will have risen to \$261.5 billion by March, 1988, which represents almost a quadrupling in the net national debt in eight years.

Of the annual Government expenditure of \$100 billion, over 30 per cent is to be financed by going into debt. Imagine if you tried to run your household accounts and you, Sir, had to borrow one-third of your expenditures? How long would you last personally? The Government can last because the Government, as opposed to Hon. Members here, can print its own money and demand money, whereas individuals cannot do that. It is absolutely unrealistic and unfair to treat Canadians that way. Interest on the debt in 1984-85 will equal 4.7 per cent of Canada's GNP as compared to 2 per cent when the Government of the present Prime Minister (Mr. Trudeau) first took office. For every \$3 that the Government spends it must borrow \$1. In 1984-85, servicing that ever escalating debt burden will cost an estimated \$20.4 billion, the equivalent of \$800 for every man woman and child in Canada or \$1,900 per taxpayer. The enormity of these figures is appalling. I do not know why Canadians are not rising in revolt and marching on the Government on Parliament Hill to demand that the financial enslavement they are being put into along with their children and generations yet unborn is stopped. However, they will have their opportunity to revolt. That day is coming, and coming soon.

That \$20 billion required to service government debt in 1984-85 is equal to total government spending as recently as 1972-73, the very year I entered this Chamber. I am ashamed to have been part of a process, I even opposed it, for all but nine months, that has enslaved the Canadian people in this way.

The Government has a tendency to forget the speed and scale of increases in its spending and in the deficits underpinning them. Government spending has increased from \$12.3 billion in 1968-69 to \$96.9 billion in 1984-85, a jump of 668 percent. In the four years since the Liberals returned to office, government spending has almost doubled; spending in 1984-85 will be up by a further 9 per cent. Spending on a national accounts basis is now equal to 25 per cent of Canada's GNP; it was only 21 per cent four years ago.

Other Members of my Party have ably addressed the horrific consequences of this mess of red ink spilling all over the Government's accounts. This ever-growing interest burden, the loss of fiscal flexibility, comes at a time when we need it to fight the recession and to help its victims, and we are losing control over all sense of judgment and proportion in running our economy. We are crowding out private sector borrowing. As a consequence, unbearable interest rates are being charged