

Borrowing Authority

ment was seeking authority to borrow \$10 billion for the fiscal year 1979-80.

This bill, some eight months later, seeks borrowing authority for only \$7 billion. In other words, there has been some progress. Perhaps in the hon. member's mind \$3 billion is little because his party has no ceiling on expenditures it will make when it wants to make them, regardless of where they are going to get the money. That never enters their mind.

Hon. members will recall that in November of 1978 supplementary authority for \$7 billion had been obtained, but those of us on this side are very conscious of the fact that \$7 billion was obtained by the presentation of a bill by a government that had been embarrassed into trying to slide through surreptitiously a borrowing authorization under a \$1 item in a supplementary estimates appropriation bill. The Chair, of course, had, quite properly, when this was drawn to its attention, disqualified the item, and therefore the government had to come forward with a separate bill. At that time they got \$7 billion. Most of the borrowing powers obtained prior to November, 1978, have been used but, as I pointed out in the debate on February 15, 1979:

Last year the government tripped itself up over its own ineptitude in attempting to increase a borrowing authority in an appropriation bill under a one dollar item or some similar procedure. Of course, the Chair rejected it. Last November the government had to introduce a borrowing authority bill in which it sought authority to increase its borrowing capacity by \$7 billion. Approximately four months later the government is back saying, "we have to borrow another \$10 billion."

Now we say, just a minute—and we did say so—how is it that so much money is required? Any attempt by my colleague the hon. member for York-Peel (Mr. Stevens) to get information from the former minister of finance ran into a stone wall. Finally, the information did come out. There was then \$2 billion worth of borrowing authority under legislation which expired on March 31, 1979. There was a further \$3.8 billion worth of authority which was made valid under previous legislation. With the \$7 billion sought in the bill for the fiscal year 1979-80 there was authority for approximately \$13.8 billion.

Why was this money needed? It was needed for one reason and one reason only. The program managers of the government in 1978-79 ran out of control totally and utterly over the spending program of that government, and the only recourse was for the poor former minister of finance to come forward in the House and admit failure on the part of the government to control expenditures. The problem was the rate of increase in government deficit. They were financing borrowings to pay interest; not to repay capital but to pay additional interest as time went on.

Frankly, that is one of the most serious problems that my hon. friend the Minister of Finance has inherited from the previous administration. Instead of \$10 billion, the amount has been reduced to \$7 billion, and on top of that the Minister of Finance has said that there is a terminal date on the credit and he will have to come back by March 31, 1980 to get any additional borrowing authority at all. That is a lot more honest

[Mr. Lambert (Edmonton West).]

than what prevailed heretofore. It seems to me that hon. members should recognize this fact.

I hope we are going to get far more details and a far more open disclosure by the Minister of Finance through the changes that have been implemented as a result of his examination of the problems he inherited as well as the examination of programs by the President of the Treasury Board, so that hon. members on both sides of the House will be able to understand the control that is required on the spending programs of the government.

I can tell you, Mr. Speaker, that we are going to get a very explosive report from the Comptroller General. There is item A in the first section under the Treasury Board where the purpose, under the function of program activities of the Treasury Board, is to examine government programs, to assess their performance and to report. Time and time again I questioned the secretary of the Treasury Board before the Standing Committee on Miscellaneous Estimates and asked him to produce some of these reports. If they are of any value to members who are supporting government programs, surely to goodness they require the evidence of these reports to show their performance. But none was forthcoming, even though the secretary of the Treasury Board agreed it was desirable that they be available. But he is no longer there. The then president of the Treasury Board (Mr. Andras) agreed with me that this should be so, that it would be highly desirable, but "don't catch me doing it" was all he would say.

● (1630)

The point was that not one program was being assessed. The Treasury Board was totally deficient in its duties. However, their duties have now been pointed out to them and processes have been organized whereby these programs are being assessed, and we will find out about them. That is the question which faces the Government of Canada today, not all the little matters which were referred to by the hon. member for New Westminster-Coquitlam. The prime task of the government has been to gain control of its expenditures. That is not done overnight, but already we see the effect of what has been done in the interim.

Instead of coming to us for \$10 billion or possibly more, taking into account inflation and increasing interest rates over which the minister has no direct control—anybody who wants to come and sit in and listen is welcome. I can assure the House that there will be a lot of pupils to listen to the Minister of Finance and to the governor of the Bank of Canada on that particular point. Talk about people not having cracked the book but being very ready to criticize! The louder are their protestations, the more evident it is that they do not know anything about the subject. We will see what will result from these steps taken by the government. The members in the opposition and the people of Canada will be in a position to judge my hon. friend the Minister of Finance and the administration which is being put into place under his direction in this particular field, if next March or shortly thereafter he comes before this House and, in the absence of any extraordinary