

Borrowing Authority Act

Mr. Schellenberger: This time the Government is asking for an astonishing amount. I hear Members over there laughing. It is hitting home that they need bright lights.

This Government is asking us to allow it to borrow \$29.5 billion. The Liberal Government is even asking us to allow it to borrow \$4 billion more than it projects it needs. The Hon. Member who has just spoken said that perhaps the Government requires only half of what it is asking, but the Liberals are trying to convince us to give them an extra amount extending beyond March 31, 1985.

This is the largest borrowing Bill we have ever had in this House, Mr. Speaker. If the Government put forward its program and said it requires for the benefit of Canadians this much more money than it is taking in, and if the program were outlined and we agreed with that program, with some minor doubts, then perhaps we might say all right, we are prepared to grant that kind of money. In all of the eight borrowing Bills that we have had in this Parliament, most of the amounts requested have been reduced because Members fought this kind of undefined request against asking for huge amounts of money, and against this trusting Government to spend that money appropriately, without a plan being put before Members of Parliament. Any other procedure is not acceptable. Should we accept this Government's word and trust it to spend that money properly? Many of my colleagues have announced areas of concern where taxpayer's money has not been spent wisely. No wonder we are reluctant to approve a borrowing Bill which, by and large, is asking for money that we do not know how the Government will spend. That is a concern.

Then we have the concern that is enunciated over and over again. This Government had the audacity in the Budget just presented to project deficits of over \$25 billion for the next four years running. The Liberal Government is not embarrassed to spend almost \$30 billion more than it has collected this year. What about the Budgets we have had in the past which have been accumulating debt at an alarming rate? The Liberals are projecting deficits in the future of astounding amounts. As already mentioned, future generations will be burdened with this debt. They are the ones who will have to pay back this money.

This rate of annual borrowing will certainly double the deficit by 1990. The deficit we have now is alarming. That situation is not acceptable. Members of Parliament on all sides of this House are elected to spend properly and wisely the money which taxpayers are required by law to send to this institution. We have an obligation to see that those deficits do not increase at such an excessive rate, that money is spent in a wise and proper manner with scrutiny, and that the powers of Parliament are increased so that as we look at the estimates in committee we have the capacity to question those who are spending this money. We should see to it, in areas where we believe the Government is asking for more money than is required, that we are able to reduce those estimates. Under the present authority in this House of Commons we have the ridiculous situation of completely annihilating a whole spending program in order to make the point that a small part of the

estimates are not being spent properly. That is not acceptable to me as a Member of Parliament and it should not be acceptable to any Member in this House.

The federal Government will owe more than the total accumulated, direct and guaranteed debt of all ten provinces put together after this new borrowing.

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There is an astounding amount of borrowing in the country. As of December 31, 1982 the provinces owed \$115 billion. The federal Government directly owed \$112 billion without considering what Crown corporations have borrowed, and that is anywhere from \$45 billion to \$70 billion. If this borrowing authority Bill is passed, we will find that our combined direct debt will climb to well over \$130 billion.

Today the federal Government is asking to borrow more than twice what all of the provinces are asking to borrow. This year, the provinces will borrow approximately \$12.7 billion. The federal Government has indicated that it requires \$29.5 billion. The \$4 billion that the Government is requesting which is over and above its projected borrowing needs amounts to 31 per cent of the total projected borrowing of all of the provinces in the country. Add to that the accumulated liabilities Crown corporations which amount to \$71 billion. Canadian taxpayers are directly responsible for those liabilities and have been asked to give and give to Canadair and de Havilland in order to keep them operating.

I am astonished by the Crown corporations. If a private corporation were losing money at a rate comparable to Crown corporations, it would surely ask the board of directors, the chairman of the board and the chief executive officers to come before a committee to be run over the coals and asked why they are making those kinds of investments and projecting those kinds of payments. That does not happen in the case of Crown corporations. Canadair is losing money, the Government has the audacity to ask for another billion and a half dollars, yet it appoints the same board of directors again. A committee is unable to question those directors in any way. That is unacceptable. No wonder Canadians are questioning the kind of borrowing that Crown corporations are undertaking without proper scrutiny by the House.

What happens with this kind of federal borrowing pressure on the economy? Certainly it causes concern to the ordinary citizen. The ordinary citizen and the ordinary small businessman is competing with the large borrowing arm of the federal Government. Federal borrowing pressure is having a negative effect on the economy. Interest rates are again increasing. I read in the newspapers yesterday that the interest rate in the United States is rising as well. Large government borrowing in Canada is putting extreme pressure on the dollar which is decreasing in value.

We have two choices to make if we do not control federal borrowing. We either allow the dollar to decrease in value, which is inflationary and we begin to print money, or we allow interest rates to rise. The private sector of the economy simply cannot sustain another increase in interest rates lasting for a