

who already have economic power. I believe that is wrong. For that reason we are opposing the Bill.

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, when Bills come to the House of Commons we often look at them with a good deal of curiosity and sometimes with skepticism because the appearance of the Bills themselves are somewhat deceptive. I would say that this particular qualification applies to Bill C-21, the Bill requesting borrowing authority.

The Bill appears to be very simplistic because it is a two-page document with printing on one side only. One would not think that it amounted to much, yet what this Bill asks Parliament to do is to give the Government the authority to borrow almost \$30 billion. The real effect of this Bill is to emphasize the lack of control that Parliament has over the spending of the Government. With its present majority, the Government can come to the House and force through a borrowing Bill for any amount of money while believing that it will get the acquiescence from this side of the House and be able to spend that money as it pleases.

During this debate and other debates, such as the Budget debate, my colleagues and I have been emphasizing the frightening size of the Government's deficit and the tremendous impact that it is having on the Canadian economy. When one considers the deficit, more than \$30 billion now, it is the most significant road block to a sustained economic recovery in this country. It prevents the opportunity for 1.5 million Canadians to return to the paid labour force. It is a millstone around our necks and more so around the necks of those who are unemployed.

Whenever the Government ends its fiscal year with a deficit, as it did last year, the year before and as it will this year, the shortfall that it creates does not suddenly disappear or go away. Instead, it is added to the long-term national debt, a national debt which we know is increasing by leaps and bounds and on which we must pay mounting interest year after year. In turn, that interest payment increases the deficit. It is on a merry-go-round that we cannot seem to get off. The Government brings in additional moneys in borrowing to increase that deficit and, in turn, the interest charges go up as the national debt increases.

This year alone the interest charges will be \$20 billion. That is some \$800 for every man, woman and child in this country. Just last week those interest charges increased by some \$750 million in one week alone. That was due to the fact that the Government's high interest policy allowed the prime rate to climb another notch higher.

The Bill before us today—this innocuous looking little Bill—illustrates most clearly that the Government has yet to come to grips with the roller coaster impact that its fiscal and monetary policies are having on the Canadian economy. Bill C-21 seeks authority to borrow some \$29.5 billion, \$4 billion of which is in a contingency fund.

That \$4 billion calls for more than passing interest. I would say that the \$4 billion which the Government says it will put

Borrowing Authority Act

aside as a contingency fund is really the Government's equivalent of mad money. It is that sort of fund that one tucks away to be there in case one feels the urge to go on a spree. All too often in recent years we have seen the Government go on a spree of wasteful spending of taxpayers' dollars. Those funds that it spends so foolishly and inefficiently on a continuous basis do not come from the pockets of government Members opposite, they come from the hard earned income of millions of Canadians who are already having enough trouble making ends meet.

The fiscal mismanagement that has been disclaimed time and again by this Government is nowhere more evident than in the way the Government allows Crown corporations to be run. This has been pointed out by many of my colleagues. Most of these Crown corporations should be, but are not, covered by this borrowing authority statute.

It is interesting to think of Crown corporations and how they operate. Crown corporations may borrow funds using the Government of Canada as a guarantor but without seeking any prior approval from Parliament. In fact, Members of Parliament are simply presented with a bill for Crown corporations without ever having had a chance to examine the expenditure plans of those corporations.

Nowhere is that more evident than in what we have seen in the last month with Canadair. Canadair came back to Parliament earlier this month to get additional funding. The Minister simply told us it would have additional funds. He did not come to Parliament to tell us that. We were told that Canadair lost \$330 million in 1983. In the previous year it lost \$1.4 billion. That is the largest annual loss in Canadian corporate history. Before that corporation is finally sold off, it will have cost the Canadian taxpayers some \$3 billion, without any accountability for what has been done with that money.

Let us not forget that Canadair is only one out of some 300 Crown corporations that have been established in this country, all of which operate outside of borrowing Bills, such as the one that is before us today. Other examples include de Havilland which lost \$226 million last year, with almost the same amount projected as a loss in the next 12 months; VIA Rail which lost \$440 million in 1982-83, and Canada Post which was down by some \$300 million.

Yet each of these Crown corporations, regardless of the magnitude of its losses, is allowed to continue to operate as though nothing were wrong. They need not seek additional credit at inflated interest rates. They do not have to face bank managers who are worried about repayment. They do not have to deal with the investigators and the auditors from Revenue Canada who might come along to threaten them or force them into bankruptcy for not being able to pay their taxes. No, indeed, Sir, that is not the way these Crown corporations operate. They simply spend as much as they want, usually more than they need, and then they forward the Bill to the Minister of Finance (Mr. Lalonde). The Minister then covers these debts without, as he told us, losing any sleep over the whole matter.