

Borrowing Authority Act

cent in real terms. This represents a very clear illustration of the impact of incentive and how people can be encouraged to build and create businesses. This also inspires greater effort to purchase in the productive economy instead of making purchases of such things as Rolls-Royces, expensive pictures and gold in a non-productive economy.

Mr. Evans: So we cut marginal taxes.

Mr. Wilson: That is why you cut marginal tax rates, as the former parliamentary secretary says. But why did hon. members not cut it right across the board? That was the government's mistake.

Mr. Evans: We did.

Mr. Wilson: No, you did not. You cut the tax rates only in the upper incomes and you know it.

The third method of deficit control concerns interest rates. I do not have to tell anyone that the government has failed totally in this area. We have interest rates which are hovering very close to the high levels of last year. As well, we have the weak Canadian dollar which spells increasing interest rates and probably a continuation of the high level of interest rates which exist today. Clearly, the lack of control of spending and the uncontrollable size of this budget deficit which we are discussing today will continue to present problems in trying to reduce interest rates.

The government must change its course and take action to offer some new policies. It must try to reverse its record and its policies in order to restore some confidence in the country and in individuals who have been building this country for 100 years but who can no longer look beyond the valley we are in today. They are only looking on the down side of that valley. The most punishing course for Canada to take today would be to cling to the blunders of the past.

It is for that reason that I urge the government to withdraw this borrowing bill and introduce a new financial and economic statement which would disclose the economic and financial outlook for today. I urge the government to come clean with Canadians and tell us what the problems are so we may then set out some alternative policies. I ask it to make some fundamental changes to the direction in which it is heading. Do not take the line that the Prime Minister was trying to give us today, that there will be no changes. I urge the Liberal caucus to take that message to the Prime Minister and Minister of Finance tomorrow and to tell them that this country needs new policies and a change in the direction in which we are headed. If we do not have that change, how can Canadians see any hope? How will Canadians be able to feel any sense of confidence in responding to change if there is nothing to respond to? How will they act positively to get the country going again and back to the level of hope and confidence which existed 15 years ago? I say give Canadians a chance to prove that they can do it.

• (1620)

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, I must say that this is not a particularly cheerful debate today in the House; this is not a happy day. Listening to the—

Mr. Thomson: When was the last time you had a happy day in this house?

Mr. Riis: The question was, when was the last time we had a happy day in the House? I cannot recall. The Minister of State for Finance (Mr. Bussieres) has asked us today to approve Bill C-111 which would give the government authority to borrow \$6.6 billion.

This should be a very straightforward debate. It should also be a very straightforward bill, an opportunity to comment on the state of affairs in the country and perhaps to compliment the government on a variety of initiatives and so on. Well, of course, today's debate is anything but that. It is like being hit in the solar plexus by Sylvester Stallone. It is like being hit over the head with a two by four. It is like being tossed a lead weight when one is drowning.

This request for \$6.6 billion comes at a very peculiar time in Canada's history. I suspect that the people of Canada who are listening to this debate and watching the government's actions these days are absolutely shell-shocked. They cannot believe the announcements that they read in the newspapers day by day and that they hear via the media. What will it take to surprise any Canadian today in terms of gloomy economic news? I cannot imagine what it would take—yet the most positive thing that the Minister of State for Finance has said to us today is that in the next few days the Minister of Finance (Mr. MacEachen) will stand up in the House and give us an economic statement. That will be hollow news to people who are losing their homes, their farms and ranches, seeing their businesses go down the tube, seeing their friends and neighbours laid off from jobs and losing any hope of employment in the near future.

A statement by the minister—how nice! Will that not be welcome news? What the people of Canada are asking from the government is action; they are asking for legislation, for a removal of that hideous November 12, 1981, budget which sent shock waves around the country, sending a clear message to every Canadian that this government does not recognize that there is a serious economic problem. For many Canadians, that comes as a surprise. How on earth could anyone not perceive the economic problems this country is facing?

In an effort to seek the response to that question, one looks around at the power brokers within government circles. We recognize that not all 142 hon. members across the aisle are of equal weight in government decision making. Perhaps even the 30-odd cabinet ministers are not of equal weight. But when one looks at where those movers and shakers exist, where the power brokers within the Liberal cabinet originate, it is not surprising that a good proportion originate in the downtown towers of Toronto and right here in Ottawa. When one considers the economic milieu of head office Toronto or head office