

Borrowing Authority

the other. Bill C-250 is very laudable, but it limits the possibilities and may create certain problems. I do not see why the Standing Committee on Justice and Legal Affairs should continue to study the problem when it is very well known. I ask the hon. member for Capilano and the hon. member for Surrey-White Rock-North Delta (Mr. Friesen) to think on the scale of the revenue problems which women in general face in Canada. Certainly, this very partial measure would not provide that the spouse pay money to the person and members of the family who are to receive the support.

[*Translation*]

Mr. Speaker, that is why I think that the claim of a person entitled to support more properly falls under provincial rather than federal legislation. We would only add confusion to the current situation if we were to endorse a measure that in fact would duplicate others which are about to be adopted. I simply wish that my two friends opposite would help us expedite passage of Bill C-38 on the recovery of alimony payments and all debts owed by civil servants. I think that bill is much more urgent and I hope my colleagues will help us adopt it as soon as possible. I suggest we could come to grips with our problem and let the provinces handle the other one which they are about to solve much more efficiently than we could.

[*English*]

The Acting Speaker (Mr. Blaker): It being 6.05 p.m. and pursuant to order made earlier this day, I do now leave the chair until eight o'clock p.m.

At 6.05 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1981-82

SUPPLEMENTARY BORROWING AUTHORITY

The House resumed consideration of the motion of Mr. Bussières (for the Minister of Finance) that Bill C-59, to provide supplementary borrowing authority, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Howard Crosby (Halifax West): Mr. Speaker, when I began my remarks on Bill C-59 to enact the Borrowing Authority Act, I said that the government has utilized its borrowing authority over the past few years to accumulate budgetary deficits equal to \$69 billion. That is, by the end of the 1979-80 fiscal year the government had \$106 billion in

liabilities and only \$37 billion in assets, leaving a difference of \$69 billion.

Many hon. members who have already spoken in this debate provided detailed and statistical data relevant to the government's fiscal position in 1981. I do not intend to repeat the information already provided, but I want to underline the fact that we are discussing the authority of the government to borrow and I want to consider the historical and financial facts that have resulted in the necessity for vast government borrowing. I want to indicate the effect of continued deficit financing and vast borrowing on individual Canadians and the Canadian economy.

In order to relate our national economy to individual Canadians, it is helpful to reduce some of the many statistics to more human terms.

The budget deficit of \$69 billion, if shared by 24 millions Canadians, results in a per capita debt of almost \$3,000 for each individual. When it is remembered that Canada has about six million families in 1981, it can be seen that the share of the national debt per family is about \$12,000. It is important to consider what the financial future holds if the \$12,000 is added to the current family debt and the interest burden of that debt is added to the family's monthly and yearly expenses. This is not entirely an academic exercise because Canadians are, in the final analysis, responsible for the financial debts of the national government and through the income and other taxes they pay either directly or through corporations, they have to retire the national debt as well as provide the funds to pay the interest.

In simple terms, for the fiscal year 1980-81 the government forecasted expenditures of \$60 billion. Expenditures will exceed revenues by \$14.1 billion and \$12.1 billion will be required to service the national debt. That means that at least one dollar out of every five spent by government will be for debt servicing. Over 25 per cent of government revenues will be blown away on interest charges. Mr. Speaker, \$12.1 billion out of revenues of \$45 billion will be used for interest charges. That is a contribution of \$500 for each Canadian and \$2,000 for six million Canadian families.

In contrast to that, most of the provinces have a much better fiscal record. In most cases expenditures have been kept in closer alignment with revenues despite pressure to provide expanded services in education, health needs and other basic areas. The province of Nova Scotia, for example, has a net average debt of \$1600 per person and about nine per cent of revenues are required to service debt charges.

When we speak of government borrowing, when we mention budget deficits, when we calculate debt service charges, we are talking about your money and mine. We are talking about the dollars and cents taken from all Canadians through various forms of taxation. This taxation includes the Canada Pension Plan and the unemployment insurance program which are, in reality, sophisticated forms of taxation.

Canadians must recognize and must realize that our taxation system, in all its direct and indirect forms, is simply the