

the Government came to the House clamouring and asking for \$12 billion in borrowing authority for that year. That was followed by a request for \$14 billion, then an additional \$6.6 billion, then \$7 billion, and so it went until we have now reached the \$29.55 billion plateau. The Government has had a total, since February, 1980, of over \$102 billion. This Government is marked by its ability to spend dollars and to give money away in special programs, such as the Special Employment Initiatives Program. Why should we trust a very partisan, selected means of allocation?

The effect of runaway spending and continued borrowing has led to the disaster which this country is now facing. Canada's net debt has doubled. Our gross national debt has climbed from \$103 billion in the 1979-80 fiscal year to an estimated \$190 billion in this fiscal year. My constituents in St. Catharines know full well what huge overdrafts and liabilities mean. Unless restraint is practised in Government as well as at home, it is only a question of time until the whole house of cards comes tumbling down.

There is no disputing the fact that mounting fiscal problems face this Government. We have heard over and over again the aggressive tactics of National Revenue. Yet here we have the Government asking Parliament for borrowing authority in excess of its current needs. If Parliament approves the request, we will indeed be on the road to disaster, economic fiscal disaster. The Government will not be able to ignore Parliament for the months to come. It will have to answer to the people of Canada sooner or later. The fat bank account will lead to even less regard for the taxpayers' dollar. In an election year we can count on reckless expenditures if that opportunity arises. You can bet your hat that that \$4 billion contingency fund will be spent within the next few months.

Interest rates will again be pushed up by these heavy borrowings if the federal Government borrows the entire \$29.55 billion, and it will. The credit market will be crowded out, leaving no room for legitimate expenses and investment. Heavy demand and a slight supply means higher mortgage rates and interest rates for every-day common living. I have said before the inflation is bound to follow. It will be pushed up by higher interest rates. Finally, the Canadian dollar will continue to plummet in relation to the American dollar. This will be the inevitable result of a Bill of this kind.

The Prime Minister (Mr. Trudeau) once challenged unemployed workers to get off their backsides and find a job. We on this side of the House, Mr. Speaker, urge the Government to get off its rear end and start trimming the deficit we are facing. In this time of so-called economic recovery, there can be no excuse for the record levels of borrowing and expenditure. Canadians themselves are trying to make up for lost ground, but their own Government is throwing up road blocks. Come October 1, the Government, which cannot find a dollar to cut in its expenditures, will be asking Canadians to hand over an additional \$2.1 billion in taxes.

In the 1985-86 fiscal year, the additional taxes will amount to the almost \$4 billion that we are talking about, for a total of \$6 billion in less than two years. This is clearly outrageous.

Borrowing Authority Act

The Canadian taxpayer is faced with a situation of give, give and pay. It is the taxpayer who is expected to do the belt-tightening, but there is no evidence of that on the part of this Government. With one voice the taxpayers say, "Cut the deficit and let us get on with the economic recovery that we have been told we might have".

In the City of St. Catharines the average taxpayer is currently paying \$1,000 a year on his or her portion of the service charges on the national debt. The Government is putting forward an outlandish request to borrow an additional \$29.55 billion. It is clearly telling the taxpayers in my home town of St. Catharines that \$1,000 is not enough. More will be needed because the Government wants to borrow more so it can spend more. Taxpayers in St. Catharines are not different from taxpayers anywhere else in Canada. They work hard, they earn their money, and \$1,000 means something to them.

I recognize that my time is drawing to a close, Mr. Speaker. I could go through a long list of useless expenditures which this Government is making, but time will not permit. Our Party is simply urging the Government to hold the line on that \$1,000 per taxpayer which we in St. Catharines will have to pay. The adoption of the amendment put forward by my colleague, the Hon. Member for Parry Sound-Muskoka (Mr. Darling), would be a positive first step in that regard. I urge Hon. Members opposite to take a second look at what they are doing to this country. Stop it now! Concern yourselves with the deficit which our young people, the generation after them and the generation after, will have to face.

• (1610)

[Translation]

Mr. Herb Breau (Gloucester): Mr. Speaker, I am delighted to be taking part in the debate this afternoon, because I think the Opposition would have everyone believe that Bill C-21 is the mechanism through which the Government administers its deficit programs.

Mr. Speaker, we must not confuse borrowing authority, which is the subject of Bill C-21, and the appropriations or budgets for each Department which the Government must put before the House every year, sometimes two or three times a year, because sometimes there are supplementary estimates, and that is when the House of Commons authorizes the expenditures the Government has to make. Therefore, when the House is considering a borrowing authority Bill, it should not necessarily concentrate on the value, the merit, or the lack of merit of the Government's expenditures or determine whether the House of Commons should approve the deficit in this debate. The Bill before the House, Mr. Speaker, merely says, when there is a deficit which the House of Commons will already have approved or not, how the Government is to meet its responsibilities. The Bill authorizes the Government to borrow \$29.550 billion, because that is the amount required to cover the Budget deficit, and we have added to that a contingency fund of approximately \$4 billion to guard against any rapid imbalance in the negotiations or management operations