

Borrowing Authority

I have examined the Estimates. We have a number of interesting items which should attract the attention of any serious-minded Member of this House concerned with fiscal responsibility.

It is absolutely incredible that we should be taking from the public purse the amount of \$820 million to shore up the CBC for the current year, \$820 million for a corporation that raises \$175 million from ads and other revenues for its entire year's operation.

I recognize that there are times when it is absolutely essential that the public corporation in broadcasting communicate with those regions in the northern part of our country which would otherwise not be serviced by a public communication system. That does not mean that \$820 million, an increase over last year of some \$82.6 million, is the way in which this can be achieved, having regard to the fact that in so much of our nation the services provided by the CBC are provided by an independent network operated under the free enterprise system. Not only the capital needed to acquire the capital asset has been paid for by privately-raised revenues but the operating costs are paid for out of privately-raised revenues, and a profit is generated on its operations.

Having regard to the nature of the economy today, I submit it is appropriate to examine these Estimates, as I have done so often, with a view to determining whether it is appropriate to go to some Crown corporations and tell them that they are at the end of their leash and, within a limited period of time, those subsidies will be finally terminated.

The time available does not permit me to deal, to the extent that I would prefer, with other items of a similar nature in the Estimates. I regret that the time for questions after speeches has expired.

Mr. Terry Sargeant (Selkirk-Interlake): Mr. Speaker, my constituency is much like many other areas in this country. We have our share of unemployment, we have our share of plant closures, we have our share of small business bankruptcies, and we have our share of farm bankruptcies. We have plants operating below capacity, with the resulting lay-offs. As well, there are in my constituency 11 Indian reserves. In the best of times, reserve Indians live under economic conditions that are nothing short of a disgrace in a country as wealthy as Canada. In the best of times, reserves have unemployment rates that run between 50 and 90 per cent. In times of severe recession, as we are now experiencing, those figures grow.

For some strange reason known only to God and the Liberal hierarchy, reserve unemployment figures are not included in the national figure. I suppose if they were, the resultant high figures would be far too frightening.

For some other strange reason the Government decided in the past year to cut funding for the very programs that might improve the economic situation of these reserve Indians, namely post-secondary education and economic development. The Government chooses instead to increase their dependence on welfare. It is no surprise that my constituents are rather skeptical, even cynical of this Government, when it comes

before Parliament to ask for authority to borrow another \$19 billion.

I believe it is fair, and I am sure my constituents would agree, indeed we consider it imperative, that Members of Parliament demand to know how those billions will be spent.

The Minister of Finance (Mr. Lalonde) told us that \$5 billion is needed for the last few weeks of this fiscal year, that it needs to borrow that amount because the recession has taken its toll on Government revenues and at the same time that recession has increased pressure on Government expenditures. Of course, the Government's conservative and fiscal monetary policies have had a lot to do with bringing this recession on and with the depth to which the economy has sunk in the past few months.

Setting that fundamental issue aside for now, the Government has not told us how it plans to spend the \$5 billion it is asking permission to borrow. On top of that, it has the gall to ask this House for authority to borrow another \$14 billion for the next fiscal year, before it brings down a budget. Why, when this borrowing authority Bill was introduced, the Government has not even tabled the Estimates for 1983-84!

Bill C-143 is the third borrowing authority Bill brought before this House in the last eight months. In June 1982 the Government asked for \$6.6 billion, in July for \$7 billion and in November for another \$4 billion. Now we are being asked to give the nod for yet another \$19 billion.

What the ballooning deficit shows is that the Government cannot possibly claim to be in control of the economy. The deficit for the 1982-83 fiscal year has increased by 16 per cent in the last four months alone. It must be a bit of irony for the Government. While it has pursued with single-minded purpose the reduction of the federal deficit, it has really created the economic conditions that are forcing the deficit to keep on rising.

In the last three budgets, this Government has set its sights on cutting Government spending and reducing the deficit. The November, 1981 budget tried to step up the pace of deficit reduction, striving to bring it down from \$13 billion to \$10 billion, but that is not what happened. By the time the June, 1982 budget was unveiled, the Government was forecasting a deficit of \$19.6 billion. Now we are talking about a deficit of \$27 billion. That is a 170 per cent increase over the size of the deficit planned slightly more than a year ago.

How can that be? The Minister of Finance told us last week that this deficit increase is due in large part to the recession. Is it possible that the Government did not know that the Canadian economy was deteriorating, that a recession was upon us? How could it have missed the signals? We in this Party have warned the Government time and time again that with its tight fiscal monetary policies, it would bring on the recession Canada is now enduring. By permitting the Bank of Canada to drive up interest rates the Government has played no small part in throwing almost two million people out of work, in driving 11,000 businesses into bankruptcy, and in grinding the economy down until it is running at less than 70 per cent