

million to Forestry Canada to cover forestry regional development agreements and Green Plan initiatives.

Supplementary Estimates (B) were tabled in the Senate on November 26, 1991, and immediately referred to the Standing Senate Committee on National Finance. These estimates were discussed by the National Finance Committee with Treasury Board officials on November 27, and the committee presented its report on December 4, and it was considered here on December 10.

**Hon. H.A. Olson:** Honourable senators, I wish to say a few words about Bill C-47, because these Supplementary Estimates ask us for, as Senator Lynch-Staunton has pointed out, some \$400 million dollars to pay for certain agricultural programs that the government recently announced.

I wish to deal with an item on page 7 of Bill C-47 that suggests deception—and perhaps much stronger language is more appropriate in this situation. The bill is, in part, an appropriation of money the government needs to add to finance Vote 22a, and it gives the explanation of payment as being a result of the invasion and occupation of Kuwait by Iraq in 1991.

When the government announced these payments to the farmers, it said, and I will quote the Calgary Herald of November 22:

In Ottawa, Finance Minister Don Mazankowski said he hopes to pay for the farm aid by dunning delinquent taxpayers and tapping cash left over from a fund set up to pay for the Gulf War.

He said he expects those sources to yield about \$400 million by the end of the government's budget year that ends on March 31. He predicted similar measures will raise another \$400 million next year.

Honourable senators, and particularly the mover of the bill, where is this fund from which you intend to take the \$400 million? There is no fund. There is the Consolidated Revenue Fund, and that is all until you get an appropriation from Parliament. You say you will save money out of a fund that never existed. Now you come to Parliament and ask for the money to pay not only for the farm program but for some of the costs of the expenses incurred by Canada due to the invasion of Kuwait.

I have been looking for quite some time to find words to describe this action. I do not know whether it is fraud to say something like that, or whether it is deception. I notice that under "fraud" in the Thesaurus, it says: "...craft, deceit, deception, double-dealing...hoax, humbug." Humbug is probably the best word that can be used for that kind of dealing.

**An Hon. Senator:** Liberalism.

**Senator Olson:** No, that does not fit at all. I am not objecting to what the government is doing. It incurred certain expenses or gave an undertaking that it would be involved in the Gulf War with all its various expenses. I do not care whether it was \$100,000 or \$100 million. In fact, it was substantially more than that. What the government is doing is

coming to Parliament and asking, by way of Supplementary Estimates, for authorization to pay those bills. I do not object to that. That is normal. It has been done every year that I have been here, and I started in 1957. I wish to make it abundantly clear that I am not objecting to the amount, nor am I objecting to the process. What I am objecting to is the deception with respect to where the government will get the money.

The government once said that it would get the money to help the farmers by attacking people going back and forth across the border. Do you remember that? The government was going to increase the inspection of people crossing the border to shop in the United States. That is how the government would raise the money to pay for the additional farm support that it promised in the amount of \$700 million to the grain and oilseeds sector and another \$100 million to another sector.

Honourable senators, the government backed off that course, because the government knew the kind of political problems that would ensue. That was just as deceptive as what the government is doing now. The government has practised this fraudulent bookkeeping—I do not say that the books are kept fraudulently; I say the public relations that go with it are fraudulent. Saying that you will get money out of some other fund—that is similar to what Senator Barootes did yesterday. It is just terrible. The government says, "Well, we have reduced program spending by 'X' dollars." In fact, I think the Leader of the Government did that yesterday.

The government says it has reduced program spending by a certain and that the problem of paying for debt service charges is because of the debt it inherited from the other government prior to 1984. There are two lies in that notion. One is that the debt service charges at that time were not half as much as they are today. The debt service charges are now about \$400 million on something like \$43 billion. So it never was that high in 1984. What is also fraudulent about this whole matter is that the Government of Canada has income from taxes and the services that it charges for. They have to put all that together. Then the government has the obligation of paying all the bills, including the debt service charges. I wonder what the excuse will be the next time.

● (1440)

In today's *Financial Post* it states:

Deficit increases 64 per cent.

The federal deficit ballooned by 64 per cent during the first seven months of this fiscal year compared with the same period a year earlier, the Finance department reported yesterday. The deficit reached \$21.4 billion in the April-to-October period, up from \$13.1 billion—

That is the year before.

The department blamed the cost of implementing the goods and services tax as well as lower revenues because of the recession.

Honourable senators, a lot of deceit goes on here. However, what I am specifically talking about today is the explanation for a request for funds in these Supplementary Estimates