

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Lynch-Staunton: With the appropriate preamble.

Senator Olson: Honourable senators, the preamble will be very short. I had no intention of getting into the debate on the budget, and I suppose I would not have done so except for the problem that Senator Murray raised when he made his speech on this same item on Wednesday, March 16. That speech is almost incomprehensible. It is impossible to read that speech and follow the convoluted reasoning which went into the construction of it.

Let me explain why. Senator Murray says some things, and I do not want to be unfair so I will quote him directly from page 208 of the *Debates of the Senate*, where he is speaking about the last budget in April of 1993:

Much of this is due to slower economic growth and lower revenues, but some of it, again, is part of Mr. Martin's numbers game.

This is the first time that Senator Murray introduces that term, "numbers game," but he uses it again and again in this speech. I quote again from the same page:

The government inflated the 1993-94 deficit in the hope that against this benchmark their subsequent efforts would appear to have been effective — indeed, heroic.

That is what Senator Murray said. He goes on, on the same page, next column:

The government is getting a reputation for playing the numbers game.

My question is, who is giving it that reputation?

Hon. Lowell Murray: Read the quotation from *The Ottawa Citizen* that follows that comment.

Senator Olson: Here is the quotation that Senator Murray would like me to read:

Paul Martin has gone from padding the deficit to padding the unemployment rate, in what appears to be a two-pronged political ploy to paint the Tories in the worst possible light and the Liberals in the best.

Is that fair? That is what was said.

I want to be sure that Senator Murray understands that I do not want to say a lot of things. However, when I began my remarks I said that there was a convolution of some kind, a convoluted reasoning.

After Senator Murray accuses the Liberal Minister of Finance of doing these things, he returns to the old argument on the next page:

In 1987-88 we turned around an operating deficit which had been incurred every year for 12 fiscal years under our predecessors.

That was the Conservative government of the day, in case anyone does not understand what that means.

For the next six years we achieved an operating surplus every year including 1992-93...

How did he get there? This is where we get to the "convulsions."

...until Mr. Martin's retroactive accounting change wiped it out with the stroke of a pen. We did this by holding down growth in program spending. It is noteworthy that during that time we never failed to achieve our annual program spending targets.

That is what Senator Murray said.

I do not know who on the Tory side invented it, but I am absolutely certain that there is no accountant who would ever invent a reasoning or an argument to leave out certain expenses — in this case, the national debt charges — and to do the accounting with all the revenue against what they call program spending. Every government that has ever been in office in Canada, or in any one of the provinces, has always included the debt service charges as part of the expense of running the government, of running the public accounts, of running the whole business of a government for a province or a country.

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Senator Murray is trying to perpetuate the myth that somehow they created surpluses. Who was to pay the debt service charges if not you, the government of the day? I think it is fair to say that that was \$32 to \$38 billion every year while the Tories were in office, but they did not include it in their accounting because it did not fit in with something called "program spending."

Senator Murray: Mr. Martin makes the same distinction several times. He refers to program spending and to the interest on the debt.

Senator Olson: Part of the reason I am making this speech now is that I think the Canadian people have the right to know that there is not some fairy hovering about who will pay the debt service charges. The government will take that money out of the consolidated revenue fund, along with all the other expenses, or it will not be paid at all.

I was looking in the dictionary. I brought one with me, a rather big one with a lot of words in it. I was trying to find some appropriate words to describe this kind of convoluted reasoning. Even the dictionary is unable to describe what Senator Murray was saying.

Senator Murray is not the first to say this. I do not like to talk about senators who have left our midst, but Senator Barootes used to make that same argument over and over again. We would ask him to explain how he could make those "convulsions," and of course he had a problem with that, to say the least.