

Senator Hastings: Deal with the problem.

Senator Roblin: If my honourable friend will be patient and quiet, he will find that I will do my best not only to deal with the point that has just been discussed, but all of those other queries that have been raised today and on other days, which I have postponed to this statement. My honourable friend had better get his cushion, because if he sits through to hear all of what I have to say, it may take longer than he might wish and, certainly, longer than I would wish.

Senator Hastings: I will be here; I will be right here.

Senator Roblin: I am pleased to hear it, because you are one of the people who needs to be brought into the light in connection with this particular matter.

Senator Murray: That will be difficult.

Senator Roblin: I would say that when one deals with the issue of man's humanity to man, particularly as exemplified in the activities of government, each one of us brings to that consideration the accumulation of the experience of his own lifetime, and I am no different. I have been in the midst of this issue for thirty-odd years. What I felt and what I did during that time is indelibly marked upon me, and certainly influences what I have to say in this chamber. As a matter of fact, not in any way to paint the lily with respect to my own experience, I can say that I was associated with a pioneering effort in my own province to identify the obligation of those who are strong and prosperous to help those who, mostly through no fault of their own, need and deserve the help of their fellow citizens and of their country.

● (1630)

In those days, which have long since passed—shrouded in history, thank God, in many respects—we moved, in the government in which I was responsible, to help those who could not help themselves—single mothers with children, the handicapped, in the biblical phrase, “the halt, the lame and the blind,” and, of course, the seniors. Our resources were limited. The need was great. We decided that we would not give to everyone, because if we did nobody would have very much, and those who were in need would not get enough. So we chose in those long ago times to select those who were in need, particularly the seniors in need, for doctors' care, health care, drugs, housing and the necessities of life. When I recite that list of services, honourable senators will understand how long ago it was.

Now, I have to admit 25 years later the needs principle stands in a different light. Different standards prevail. But I still ask myself: “If you give to everybody, will the needy still have enough?” However, I advance this proposition. The connection between the benefits that we give our people and the public revenues and the fiscal resources that are available are significant and important today, just as they were then. I put to honourable senators that this issue of pensions cannot be disassociated or dealt with in isolation when a government has to face the totality of its position. I much regret that in his interesting if somewhat one-sided recital a few minutes ago, Senator Frith has not sought to enlighten us on the intercon-

[Senator Roblin.]

nection of these matters, which clearly is apparent to the most indifferent observer. There is no tougher job in politics than to write a budget, and there is no federal budget that I know that is without warts. This one is certainly no exception. No matter how good these budgets look to the people who are the budget-makers, and no matter how fierce the pressure of fiscal difficulty, no matter how well-tailored a budget may be in the national interest, it does not take long for those who feel that their particular interests have been affected to zero in on the budget to see how it works for them personally. We are especially sensitive when we see something personally that we do not like, either for personal reasons or for political reasons, and we want to see the budget rearranged. So we are sometimes reluctant to look at the whole picture and consider the general good that the budget hopes to achieve.

So that is not the way the world works. That is not the way budget works. However, it does point to the fact that budget-makers, however good their intentions, are constrained. Today the great constraint of the budget of 1985, against which I suggest all policies, including the one under debate today, have to be related, is surely, as I hope to show, the question of the deficit, or, if I were to use a phrase, the constraint is the interest on the public debt. I want to discuss that and tell honourable senators why I think it is relevant to the discussion before us now.

If the Leader of the Opposition had been here today, as I had hoped, he and I would be on familiar ground, because in his first budget, October 28, 1980, he declared a deficit for 1980-81 of \$14 billion, and he made a forecast of the deficit for 1983-84 of something under \$12 billion. In fact the deficit turned out to be \$32 billion. That same gentleman, on November 12, 1981, in his next budget, reported a deficit for that year of about \$10 billion, but he made us cheer up, because the estimate for 1985-86 was \$10 billion. But in fact, before the changes made in the November 6, 1984, Economic Statement and in this budget, the deficit would have been \$38 billion. Think about that for a moment and ask yourselves how much help could have been given to old age pensioners if it were not for these sad facts.

But people say to me, particularly those of the great public who do not follow these matters as carefully as you and I do—and that is human nature—“So what? I have lived with a deficit. My goodness, you have been telling me about this deficit for the last ten years, you have pointed out to me that it is going up in a seemingly irresistible fashion, but what harm does the deficit ever do me that I should worry about it, or ask my Minister of Finance or my government to worry about it, or that it should be allowed in any way to affect the measures and the policies and the social benefits that the administration proposes to the Canadian people? What harm did it ever do me?” Well, there is a harm. Deficits have to be paid for, and everybody knows they are paid for by interest. I am not talking about repayment. Far be it from me to propose that. I am talking about the interest on the deficit.

The interest cost on the deficit is inevitable, and therefore that becomes a consequence of the deficit, and there's the rub.