

SPEECH FROM THE THRONE

MOTION FOR ADDRESS IN REPLY—DEBATE CONTINUED

The Senate resumed from earlier this day consideration of His Excellency the Governor General's Speech at the opening of the Session, and the motion of Senator Lucier, seconded by Senator Barrow, for an Address in reply thereto.

Hon. Jacques Flynn: Honourable senators, coming back now to less pleasant things—

Senator Bourget: You did not have to add that.

Senator Flynn: There has to be a transition.

I was mentioning the attitude of the government and its policy of restraining its own expenses, and I had said that all the while we have had the same litany of solemn promises and undertakings by the government to hold its own demands upon the economy in check.

We have further reason to doubt this government's sincerity, especially when we consider the kind of spending reductions they have promised in the past. The magic figure in the last budget was \$1.5 billion. That is the amount, it was claimed, that was being lopped off spending plans for this year. However, when one looked closely at the figures provided by the Treasury Board it became abundantly clear that these were not spending cuts at all, but simply reductions in the amounts of money which government departments asked for during the normal preparatory discussions for any set of spending estimates. The figure for real reductions—and even this was suspect—was less than \$450 million out of a total budget of more than \$30 billion.

The fact of the matter seems to be that government spending on a national accounts basis will increase by at least \$5 billion this year to a record high of, as I said before, well in excess of \$42 billion. The Auditor General of Canada is never done criticizing government spending control practices, and saying that this government, when it comes to financial management and control systems, is a complete washout.

So much for the government's record and its credibility in preaching self-restraint.

Frankly, and frighteningly, the outlook for the economy is not improving despite the hardships experienced by Canadians in recent years. Federal policies will continue to yield slow growth, high unemployment, persistent inflation and a dangerous trade deficit. But little else can be expected from an administration that leaves leadership in restraint to the provinces, and leadership in growth to foreign countries. They do not lead; they do not govern; they just hang on to power for all they're worth, and that's not much.

Senator Buckwold: It seems to me they have been pretty successful.

Senator Flynn: Oh, there is no doubt that over the years the Liberal Party has been able to maintain itself in power four times longer, I would say, than any other party, but, of course, that is why we are in such a bad state today.

Senator Greene: The Tories are always in a bad state.

Senator Flynn: I must say that I have not heard from Senator Greene since the beginning of my speech. If he wishes to intervene I should like to hear what he has to say, if, for once, it has some merit.

Senator Greene: Don't hold your breath!

Senator Flynn: What we saw in the Throne Speech, honourable senators, was a bunch of guys eating crow. We learned that the government "is determined to preserve and enhance Canada's traditional policy of reliance on individual enterprise as the mainspring of economic activity."

Oh, the changes that can be wrought by a few Gallup polls! Marvel at the very humbling reversals in philosophy! Galbraith is no longer the Prime Minister's guru; he no longer "permeates" the Prime Minister's thinking.

Remember last Christmas? The Prime Minister was convinced then that large sections of the economy—big business and big unions—had escaped the law of supply and demand and were no longer subject to the discipline of the market. He said, "We haven't been able to make even a modified free market system work in Canada." That is what he told Canadians then. He denied that government intervention had been excessive and asserted that it was the government's duty to intervene when necessary to stimulate employment, to redistribute income, to control inflation and pollution, to protect the consumer, to promote conservation and productivity and to assure an adequate supply of the things we need.

● (1430)

Mr. Trudeau's view of last December was referred to as "extreme" in the Speech from the Throne. Well, I could have told you that last December—in fact, I think I did a number of times. The government now turns its back on the view that government spending and intervention must increase to compensate for the failure of the market system to serve social goals. The once-despised market system is now relied upon to stimulate the growth Canada needs, and the government will be looking, according to the Speech from the Throne, for "less costly, less interventionist ways" to pursue its social objectives.

The Prime Minister is backing away from the "new-society" gimmick. Hopefully, he has come to realize that one of the reasons the economic system has not been working well in recent years is that there has been too much government, not too little; that government has led the way in taking more out of the system than the system can afford. Mr. Trudeau should never be allowed to get away with the argument that governments have only been responding to the public's demands.

For years, Liberal politicians, for their own selfish ends—and that has been indicated by Senator Buckwold—the main criterion being to remain in power, have been selling the need for services and promising more programs. What was Mr. Trudeau's just society, apart from being a fraud, but an arousal of greater expectations?

The system which Mr. Trudeau derided last winter and has rediscovered this fall has provided Canadians during the last 30 years with a period of growth and prosperity unsurpassed in this country's history, and perhaps anywhere in the world.