

There was absolutely no cost whatever to that board being there, except that it set up the legal structure that was needed from time to time to intervene if a particular product got into severe marketing conditions. Now it is gone.

Perhaps the government has made up its mind that it will never again help certain specific commodities in agriculture, so they probably do not need that board, or if they do, they will have to create something new. But the point is, they are trying to fool the people into believing that they saved some money, and they didn't save a cent with that one.

But there are some others on there, too.

**The Hon. the Speaker *pro tempore*:** I must inform the honourable senator that he has been speaking for 20 minutes. Is there leave for him to continue?

**Senator Olson:** I do not intend to speak much longer, honourable senators, even if I get permission, because I have stated very clearly and succinctly what the problem is. The problem is that this government apparently does not recognize where it is. It does not have any capability of looking at the real world in Canada.

**Senator Frith:** Same old gang; same old problem.

**Senator Olson:** That is what is so sad about this budget. I certainly hope that the Minister will use his influence and his tremendous knowledge that I know he has developed over the years with respect to the effects of wrong monetary policy. We have certainly had a demonstration of it during the past two years or so. It has led us into the most difficult situation that most Canadians have ever known. I would hope he would use all the power of his persuasion and his great knowledge in this area to get the Minister of Finance and the rest of his cabinet colleagues to look at monetary policy, because they completely ignored it, not only in the budget but in the budget speech that was made by both the Minister of Finance and by the Minister here earlier today.

**Senator Frith:** Hear, hear.

**Hon Duff Roblin:** Honourable senators, I will accept the proposition of my friend who has just spoken that we should consider the budget that we have just received in the context of the real world. And the context of the real world is this, that when you are examining a budget and its effect on the economy of this nation, you cannot ignore the fact that we live in the North American continent. And if we seek to blame this government for all the ups and downs of the economy which have taken place in the last little while, we cannot do so without reference to what is going on in the United States.

We talked in the house this morning about the decimation of the automobile industry in Canada and, heaven knows, that is bad enough. But we have to recognize that that is part of an international trading system. We have to recognize that our economy in Canada is influenced by the United States in a very drastic and direct way. Any policy or any budget that the Government of Canada prepares has to be prepared in light of that fact, and any criticism about its impact on the economy of the Canadian nation, and the strictures that my honourable

friend has applied have to be considered in connection with the overall situation in which we find ourselves.

So the budget cannot be considered solely as a Canadian document or a Canadian phenomenon. The economy of Canada cannot be considered in that light, either. It has to be considered in the context of which I spoke. It seems to me that, when one takes that fact into account, some of the criticisms that have been applied to the present budget do not carry the force which one might at first think.

**Senator Olson:** So we are kind of the 51st state.

**Senator Roblin:** We are not a 51st state, but when 70 or 80 per cent of our foreign trade, which amounts to 25 per cent of our GNP, is conducted with one country, we simply cannot ignore or rule out what takes place there because it just would not make sense.

I would like to say a few modest and perhaps not unduly enthusiastic but nevertheless realistic comments about this budget, because budgets never please everybody. In fact, they often do not please the majority. But nevertheless, they have to be considered in as rational a way as we can bring ourselves to do.

I will say a very brief word about forecasts because, if you compare the forecasts of the government with the forecasts of private enterprise or, indeed, with the OECD, you will find that our forecasts are consistent with those. While we have to recognize that forecasting is a dangerous art, it never turns out right, nevertheless, our forecasters are not out of line with the conclusions of other people who contemplate the future of our economy. In fact, the OECD has given us a better prospect for the current year than our own government does, so we have to think that they are being as realistic as they can.

I am no defender of forecasts. They are necessary; we have to make those assumptions, but we must not be surprised if they do not turn out to be as accurate as the forecasters would like. That has never been the case.

**Senator Olson:** But you are wrong all the time.

**Senator Roblin:** If we are wrong all the time, that means everybody is wrong all the time. That's what that means. Everybody is wrong all the time because we are within the parameters of those figures.

I want to point out one or two things to reinforce my satisfaction with the housekeeping of the present administration. During the past few years, if I can get my figures before me here, we have found that the costs of the expenses of government, which are described as "program spending," have been rising at the rate of 3.9 per cent since this government took office. That is not a large increase, 3.9 per cent.

For the previous period, going back to the 1970's, the increase per year was 13.8 per cent. So when you get it down to 3.9, you know that somebody is working on running an economical ship, below inflation. You can obviously point to areas where they have not done the job one would like them to do, but on the whole, that is not a figure that one needs to be ashamed of.