

enjoyable holiday. Some of them have been more visible than others over the holidays. I heard the Leader of the Opposition this afternoon referring to the government's penchant for self-criticism. Judging by the situation of the Liberal party today, we still have a long, long way to go.

I was very pleased to see in the *Toronto Star* a few days ago an article by our colleague, Senator Marsden, on that very point. The general thrust of the senator's article was that, when Liberals are at each other's throats, that is a sign of the vitality of the party. I thought that that was a very good point. I must say I sympathize with the point and appreciate it because, in not dissimilar circumstances, I have made that very point myself, although I have never made it quite as well as Senator Marsden did, because she managed to give the thing an international flavour. She alluded to those countries where leadership review was a capital offence, and then she went on to suggest that this blood-letting in the Liberal party is somehow setting an example of freedom and democracy that the whole world can emulate. I just want you to know that I like her spirit and appreciate her style in that respect.

I also heard Senator MacEachen today taking a strong stand in favour of more government, not less government, and I could not help but be reminded of the television interviews that I saw within the last few days—indeed, last night—featuring our colleague, Senator Davey, who was drawing a pretty clear line between the various factions within the Liberal party: Those which, I take it, are represented by the present Right Honourable Leader of the Opposition and are more along the right wing, and those which belong to the factions supported by Senator Davey who would advocate a more activist role for government. I was interested to see that Senator MacEachen took advantage of the opportunity provided by the Throne Speech debate today to let us know where he stands on that matter. We shall see in November just what position he takes on the matter. I well recall the Liberal leadership convention of two years ago when Senator MacEachen took a very strong stand, indeed. Just seconds before the first ballot was taken at that convention, I saw him climb on the Turner bandwagon.

● (1540)

Honourable senators, mid-way through our mandate, as the Leader of the Opposition has mentioned, the Speech from the Throne—this government's second Speech from the Throne—brings a message of achievement, of continuity and of direction. The priorities that we set out in 1984 are, as the Leader of the Opposition mentioned today; economic renewal, social justice, national reconciliation and constructive internationalism. Those priorities are still before us, and in each of those areas we have real progress to show for our efforts and for the policy changes we have made. The challenge and responsibility facing the government is to build on that progress, and that is the direction set out in the Speech from the Throne.

I could hardly believe my ears this afternoon when the Leader of the Opposition lectured us on the need for concerted international action on oil prices, and to do something about the energy industry. It is hard to believe that there speaking

was the author of the famous National Energy Program—officially the author, at any rate. He brought it in in the guise of a budget on, I believe, October 28, 1980. That was a policy that shut down exploration and development in the petroleum sector, that aborted the great mega-projects Senator Olson, the then Minister of State for Economic Development, was telling us were going to be our economic salvation, that shook investor confidence in Canada and led—I will never forget it—to the headline in the *London Economist* "Wildcat Canada Resigns from the World". Now we are being told that we must lead a concerted international action to do something about oil prices and the state of the energy industry.

Well, I am glad to have his admonitions about the need for concerted international action, and perhaps we will have another debate on that one of these days, but, in any case, I must say that, on the record, my friends opposite are ill-equipped to read us lectures on this point.

The Leader of the Opposition has also told us that the economic renewal that is taking place in Canada is a factor of growth in the United States, that the economic recession that Canada suffered in 1981-82 was purely a result of international conditions. Not a word about the budgets that he and his colleagues brought in, not a word about FIRA, not a word about the anti-investment, anti-incentive, anti-business policies that so turned off the entire business community here and abroad. Not a word about any of that.

Some Hon. Senators: Hear, hear!

Senator Murray: Sure, we had an international recession in those years, but it was deepened and worsened because of the actions taken by the previous government.

The Leader of the Opposition referred this afternoon to a definitive statement made by the Minister of Finance in 1984, *An Agenda for Economic Renewal*. Mr. Wilson identified at that time four challenges that were essential to economic renewal:

1. Get the budget deficit under control;
2. Make government more efficient and less obstructive to the work of the private sector;
3. Foster high investment, innovation, international competitiveness and a positive climate for business growth;
4. Bring about those changes with a sense of equity and openness that characterizes Canadian society.

What progress can we point to two years into our mandate? We inherited a deficit of \$38.3 billion; last year it was down to \$34.5 billion; this year it will be \$32 billion, or less. This is the first time in 16 years, honourable senators, that the deficit has declined for two consecutive years.

Some Hon. Senators: Hear, hear!

Senator Murray: We had to put a lid on government spending. Program spending declined by about \$1 billion last year, the first noticeable decline since World War II. There was an average annual growth of 12 per cent in the previous decade. Total spending came in at \$2.1 billion below the target set out in the May 1985 budget, and, notwithstanding this