

Some specific measures are worthy of note. First, a recent announcement of a stable, ten-year mortgage rate, guaranteed at 9.75 per cent, removes the concern and anguish of homeowners that fluctuating mortgage rates might result in the loss of their most precious investment, their home.

Second, a home improvement grant program resulted in an unbelievable response with thousands of phone calls and take-ups in the past three weeks. The Saskatchewan Housing Corporation could barely keep up with the calls, in spite of additional phones and personnel. It is expected that 4,000 small-construction workers will be kept busy this winter, that is, 4,000 people who would otherwise go on unemployment insurance.

Third, a social program that this Progressive Conservative government has initiated, which is very popular, consists of a provincial voluntary contributory pension plan for small-business people, for their employees, for housewives and others who are not fully enrolled or fully eligible for other pension plans. The interest is intense. The overflow crowds at meetings to explain the plan throughout Saskatchewan attest to its acceptance and popularity.

Just as a former Saskatchewan government of CCF political persuasion introduced hospitalization and then medicare, which were subsequently copied in other provinces to become a national reality—

Senator Frith: Is this the proposed Speech from the Throne for Saskatchewan?

Senator Barootes: —so I predict that this pension plan program will ultimately be copied in other provinces, because they are already making many inquiries. It is wonderfully attractive and is particularly aimed at those with low-income jobs, small businesses, self-employed or those who work at home without compensation such as housewives.

I apologize to the Deputy Leader of the Opposition for taking some of the honourable senator's time to talk about my province, as well as the accomplishments of both governments, past and present, but perhaps he will forgive me that small venial sin on the occasion of our forthcoming election.

Senator Frith: It is not up to me to forgive your sins.

Senator Barootes: My honourable friend is worthy of forgiveness.

My dear and honourable senators, it is trite and true to say that Canada has serious financial problems, in spite of our outward and seemingly high standard of living. We have managed to burden ourselves with a crippling and enormous national debt—perhaps in the area of \$250 billion to \$300 billion before this Parliament's life expires. That amounts to about \$10,000 or more per man, woman and child. Governments are squeezing almost 50 per cent of our gross domestic product to continue their programs and to service this debt. We do not have the luxury of corporations with the ability to declare bankruptcy, nor can we eschew our debts, whether we owe them partly to our own people or to foreign lenders.

Perhaps in the past we spent unwisely. Perhaps, as some economists say, we went too fast and too early into a mature

social security network before our country was adequately populated and sufficiently developed to provide a solid fiscal and industrial base. Perhaps as governments, eager to develop a base and to provide jobs, we overindulged our industries with financial assistance. Whatever the cause, the result is crystal clear. We have an enormous debt and huge annual interest charges to defray; charges which seem to grow annually. In fact, we are now expending almost three times as much for the interest charges on our debt as we are spending on unemployment insurance. In industry terms we are actually showing an operating profit, that is, a bottom-line before debt charges, but our debt charges virtually account for our annual deficits.

Perhaps we followed the first half of the Keynesian theory of economics and failed to heed the second half. We undertook to spend our way out of our recession by federal deficit spending. So, in 1975, when Canada was in a recession, it seemed sensible to assume a deficit of \$3.8 billion. But we forgot the second part of that economic theory whereby, in good times, the government should accumulate a surplus to reduce the debt and leave room for the private sector borrowers to have access to scarce funds as the country approaches capacity of production. Unfortunately, we failed in the good years of 1976 to 1979 to do this. In fact, we continued to increase our federal spending by almost threefold and our deficits by tenfold.

It is a difficult predicament, because no one is prepared to reduce our federal spending precipitately and, in fact, to do so would bring chaos and dislocation to our economy. No one is prepared suddenly and greatly to increase taxes to make up that deficit, because it is not only politically suicidal to do so but also because it would stifle private industrial and capital expansion wherefrom come the majority of new jobs.

It little profits us to curse our lot and to try to find someone to blame for our present situation of debt. The policies that led to it were taken in a proper manner and in good faith by a duly- and democratically-elected government and by the Parliament of Canada. To blame each other or to find scapegoats does not help the situation or solve the problem. There will be time enough for that in the next election, and the people of Canada can make their judgment at that time.

However, it is important in the meantime, dear friends, between elections, for all of us in this Parliament to bring our best brains and our best efforts forward in co-operative harmony to help extricate Canada from this overhanging debt problem and to do so without aiming for partisan political advantage, without name-calling, whether we are Liberals, New Democrats, Progressive Conservatives or Independents. In such a difficult situation, I would take the advice of the devil himself if it were helpful to my situation.

What better place for sound and non-partisan advice of that nature than this Senate, abounding with talent and experience in legislative, constitutional and fiscal matters; this chamber where we are not so subjected to the changing whims of the electorate every four years?

So, my colleagues, I pray that we and the members of the other place can and will, in this period of fiscal peril which we