

I want to underline that the Canadian government is part of the problem; and the people of Canada know it. Last summer the Conference Board of Canada conducted a survey. It asked 1,000 Canadian businesses the following question: Which, if any, of the following do you expect to have an adverse effect on your production six months from now? The main factor, as indicated by the survey, was the weak market demand, which is exactly what one would expect. However, the second biggest factor, cited by 36 per cent of the respondents, was government policy. In the business community of this nation, the government is seen not as the solver of the problems, but as part of the problem.

Canadian economic policy, no matter how you have examined it in the past, does not represent a very hopeful forecast of what we may expect in the future. There is little credibility in the economic and fiscal policies this government has been following. They have not been wise policies. They have not minimized the effect of the international depression on us. They have exacerbated the difficulties in which this country finds itself. They are not hopeful for the future, and, insofar as the Throne Speech says anything about this—which is of other than a patchwork or makeshift character—they have no real appeal as being helpful in solving the problems with which we find ourselves faced.

That is certainly a sad situation because while Canada should occupy a very competitive position in the international trading world, we are, in fact, very weak in the international trading world. We do not see in this Throne Speech those long-term policies that are required if we are to haul ourselves out of the slough of despond in which we find ourselves.

What about financial management? What about the way in which the government runs itself? The government has awarded itself very good marks for financial management. If you read the Prorogation Speech, you will see what they think about themselves; it is rather flattering. They think that they have been doing a pretty good job. The Prorogation Speech states:

Improved management practices were implemented generating 122 million dollars in recurring annual savings; opportunities for realizing further annual savings of 139 million dollars have also been identified. Many of the recommendations of the Lambert Commission on Financial Management and Accountability were adopted.

Here is the punch line—

As a result of these efforts, the Government's "real", or inflation-adjusted, non-defence operating and capital expenditures are at the same level now that they were six years ago.

Interesting; it implies that the government's financial record is good and that the fiscal affairs of this country are in good order. From reading this government report on its stewardship since the last general election, one would not think that, in fact, the managers of the government finances have worked themselves into a fiscal bind of almost iron limitations when they seek to devise new policies that might help the country.

[Senator Roblin.]

They have no elbow room; nowhere to go. We can see from this Throne Speech just how limited they find themselves because of that bad management.

Why is this the case? Because of the things they did not mention. What became of the deficit? What became of the debt? What became of the interest charges that the government has to carry? Not even an honourable mention in either the Prorogation Speech or in the Throne Speech. I call that something less than realistic and something less than candid in view of the situation in which we find ourselves. The government gives itself a good mark for financial management by leaving out the things that count.

One tax dollar out of every three goes to pay interest. That was not mentioned in either of these statements. The biggest growth factor in our public finance is interest on the public debt, and it did not even receive a cursory acknowledgement in either of these statements.

The deficit in 1983-84 is 8.9 per cent of the GNP. That is so horrendous that, by comparison, it makes the Americans look as if they are splendid financial managers.

Since 1980, when this Parliament began, the net debt has more than doubled from \$69 billion in 1980 to \$151 billion in March 1983. Yet, these vital measurements of financial probity and good management are ignored in both the Prorogation Speech and in the Throne Speech.

In 1980 the Throne Speech committed the government to continuing the policies of expenditure restraint. Just how much weight did they place in this undertaking? Federal spending has risen from \$62.8 billion in 1980-81 to \$100.1 billion in 1983-84. That's the policy of expenditure restraint for you. I shudder to think what it would be like if they decided to cut loose; the results would be inconceivable.

The 1980 Throne Speech committed the government to reduce the deficit in a planned and orderly manner. The fact is the deficit rose from \$12.6 billion in 1980-81 to \$31.3 billion in 1983-84.

Hon. Lowell Murray: And no end in sight.

● (1630)

Senator Roblin: "And no end in sight," my friend says, and he is absolutely right.

What are we to make of that? What are we to make of a claim of good government or a claim that its financial house is in order? Honourable senators, this is what was said in the Throne Speech: that the government will continue with stimulating job creation.

While stimulating job creation, the Government will hold to a fiscal policy track which will contain and then curb the federal deficit as recovery strengthens.

I think one could place about the same amount of credence in that pious hope as one could in the statement that was made in 1980, which has been so sadly belied by the facts disclosed by the government itself. Are these people good economic managers, entitled to go once more to the electorate for an expression of confidence? I think not. When it comes to