

There will be no losers among two-earner families with incomes under \$55,000 and all large families with incomes under \$75,000 will gain. Larger families, all families with children will benefit from the increase of \$1,000 per child in the child care expenses deduction.

Honourable senators, over a period of seven years the changes in social policy that we have introduced have been with a view to better targeting so that the greater benefits go to those most in need. Thus in a number of areas we have turned tax deductions into tax credits which are more progressive. Tax credits have been introduced and increased for families, seniors, veterans and the disabled, among others. The child benefits reform, announced in Tuesday's budget and outlined later by Mr. Bouchard, the Minister of National Health and Welfare, is a major social policy initiative and one that most people believe is sound and progressive.

Honourable senators, I look forward with interest to the contribution of other honourable senators to this debate. I will be interested to hear the policy alternatives to be proposed by the Opposition. No one expects that the Opposition should prepare its own version of the budget. Still, Canadians have a right to expect the Opposition to offer a general outline of their policy. Mr. Chrétien, for example, indicated prior to the budget that the government should be prepared to increase the deficit by at least another \$1 billion in spending on job creation. It would be good to have that policy confirmed in the course of this debate, together with some indication as to how high the deficit should be allowed to go, how many jobs this increased deficit might be expected to create, whether the necessary borrowing increase would increase interest rates and by how much. I am sure that Mr. Chrétien his advisors and spokesmen in this chamber have these matters figured out.

Mr. Chrétien also indicated some time ago that he would instruct the Governor of the Bank of Canada to bring down the exchange rate on the Canadian dollar to stimulate exports. It would be good to have that Liberal policy confirmed during the course of the present debate, together with some idea of how far he would intend to devalue the dollar. It would also be interesting to hear whether the Opposition believes that the government is on the right track with our child benefit system, or whether they are so attached to the universality of family allowances that they reject this reform of the system with its greater emphasis on low income families.

Therefore I invite honourable senators opposite to address themselves to these questions and to where they differ with the government or where they may agree with us on the fundamentals of economic policy. Only in this way can we have a coherent debate. Without such a debate in some public forum, the Canadian people will have to judge the Liberals' ability to manage the economy on the basis of their past record, and that is a comparison that no loyal Liberal devoted to the welfare of his party would want to invite.

[Senator Murray.]

Senator Frith: You just described all Liberals.

• (1100)

Hon. John B Stewart: The honourable senator referred to the record. Could he tell us what the borrowing authority bill for 1992-93, introduced in the House of Commons the other day by the Minister of Finance, will provide in the way of new borrowing authority?

I ask that question because the borrowing authority bill for 1990-91 asked for \$25.5 billion. The minister said that would be quite enough to finance the borrowing authority for that year and would leave a balance of up to \$3 billion with which to begin 1991-92. Of course, he was wrong. The \$25.5 billion provided for that fiscal year proved insufficient for 1990-91. In fact, the total was used up several weeks before the end of the fiscal year, and even the \$3 billion intended as the bridgehead into the forthcoming fiscal year was used up before the end of the current fiscal year.

In view of the minister's emphasis upon track record, could he tell us, first, what is the minister asking for in the way of new borrowing authority for the forthcoming fiscal year and, second, what assurance have we that the minister will be any more accurate in his estimates than ministers of finance of this government have been in the past?

Senator Murray: Or ministers of finance of previous governments.

Honourable senators, I do not have that bill in front of me. It is not in the Senate yet. The honourable senator makes some points which I think he would recognize are debating points. He will have an opportunity to make them in the course of the second reading debate here, and further opportunity again to ask his questions in more detail when the borrowing bill is at the National Finance Committee, of which he is a member.

Senator Stewart: Obviously I ask the question because it goes to the heart of the validity of the statistics the minister has cited, and to the heart of the credibility of the minister as a colleague of the Minister of Finance.

Hon. H.A. Olson: Honourable senators, the Leader of the Government has given another incredible speech about the budget. The budget itself was, to any objective person, an incredible budget. By that I mean the connotation on that word that it is hard to believe. In fact, a connotation on incredulous would perhaps be a more accurate description of the budget. No reasonably objective person could believe that the government was trying to deal with the real world and the Canadian economy today with the budget that was brought forward.

The minister has done exactly what the Minister of Finance did last Tuesday. He talked about everything except what really has delivered Canada into the economic recession, and that is the monetary policy of this government. That is what has done the damage to this economy, causing the record-breaking bankruptcies of companies both large and small and the declarations of bankruptcy by individuals and unemployment. In the speech I was hoping he would address that subject because I know he has a great interest in it, and would