

menacing us in a relatively few years from now and to know what our policy best can be.

I am satisfied that many seniors—although, when I read the papers, I realize you cannot get many politicians to agree to this; only those who support the government, and they do not say it very loudly—who are not at the poverty level and who are cut out of this 3 per cent limit are glad to think that they are helping to make things better for younger Canadians. I think that is true.

Deficit-reduction, which I have been talking about, is not an end in itself; it is not enough in itself. It is good only if it leads to something better. That something better is the prime mover—the recovery of our economy to provide the means to do the things we want to do.

If we want to see better social services, and we all do, that will only become possible if our economy is made productive. It will only become possible if our debt structure and our interest payments are lower.

We have tried the way of deficits. If deficits could cure unemployment, we, in this country, would all be working, but, instead of curing unemployment, all we do is increase the amount we owe, and employment gets a pretty short shrift.

I come back to the point that the theme of the budget is to get the economy moving again. Can it be done? Will it be done? I confess, so far as I am concerned, that it is an act of faith. I say that the old methods have not worked; that is clear, so we have to try something new.

I have here in my hand a list of figures which show some brightening on the economic scene. We were told last November by the doom-sayers that what the Minister of Finance did then would cost hundreds of thousands of jobs, and, of course, it did not. Some 271,000 jobs have appeared since then.

Some Hon. Senators: Hear, hear.

Senator Frith: Oh, oh.

Senator Roblin: We have seen 159,000 jobs appear in April and May, the best two consecutive months in 12 years. We have seen inflation down for this last little while. We have seen the estimates of corporate investment up—although I'm from Missouri and I will believe that when I see it. We have seen the OECD predict growth for Canada next year which is above average for that organization. We see an unemployment rate that is 10.5 per cent in May, down 1.1 per cent from September of last year.

Some Hon. Senators: Hear, hear.

Senator Roblin: We have seen youth unemployment down two points to 16.2 per cent. We have seen it down by 1.3 per cent in April and May alone. We have seen higher employment for adult men and women. We have seen interest rates falling—that is probably due to the federal whatever-its-name-is. We have seen personal disposable incomes rising.

● (1700)

I would not maintain that this cycle of encouraging economic factors represents an irreversible trend. I would not maintain—although some would like me to do so—that it is solely

by virtue of the present administration that these things happened, because I take a wider view of the world than that. But I do say this, that, without a sound fiscal policy that the enterprise system recognizes as being positive to it, in terms of jobs and profit, I am sure that things will not happen the way they should. If this government can project an image to the people of this country that things can be better, that we are putting into place things that will make them better, then I think that we are doing the job we are here to do. We do not have to take all the credit for what happens—that is not what we are here for. We are here to set the lead. We are here to open the door. Other people have to walk through that door to provide the things that we know this country can provide to its citizens.

I want to come back specifically to the resolution we are being asked to support.

Senator Hastings: The promise.

Senator Roblin: I must congratulate my honourable friend; he has been very patient. He has been sitting here without a murmur. He has encouraged me; he has done everything he could for me, and I thank him. But I still say this, we have been looking at this budget for 1986. When we examine the problems in drafting it, when we see the effect of the partial de-indexation of the OAS on the needy at \$64 for 1986, then we understand the magnitude of the problem we are discussing. When we see encouraging signs in the economy, we know there is a possibility that, when the next budget comes around, something can be done about it. That is the promise contained in the present budget—it was carefully spelled out. With respect to the partial de-indexing of old age pensions, it states: "... review the adequacy of payments in the light of future circumstances and will increase them as resources permit."

Senator Hastings: That was not the promise.

Senator Roblin: That may not be your promise, but I suggest that this debate, if it took place at a later date, might have some substance. It has none today. There is no adverse effect at the present time on pensioners in Canada. Every last one of them is going to get a higher pension from now until March of next year. Does that constitute the basis for a resolution of this kind which asks the government to withdraw from a policy, even when that very government has said that it will re-examine and consider the problem as circumstances develop?

Senator Frith: As they always used to say, "I'll get back to you on that."

Senator Roblin: Well, you'll be around, and if we don't get back to it, you will be heard from. I will be waiting to hear from you.

Senator Frith: That was not the promise.

Senator Roblin: I am almost through, honourable senators will be pleased to hear.

Some Hon. Senators: No! More, more!