

Senator Perrault: Will you blame King for something? What about getting back to Laurier?

Senator Denis: What about Sir John A. Macdonald?

Senator Perrault: Oh, no! He is a Conservative! You musn't mention him!

Senator Murray: My honourable friends surely are not going to close their eyes to the facts. The facts are there.

Senator Perrault: You have doubled the debt!

Senator Murray: The facts are there. They are illustrated in a table or diagram in the budget address. I do not have the precise figures at my fingertips, but I can put them on record in due course.

There is a distinction, as Senator Olson has mentioned, between the program expenditures or the operating expenditures of the government and the amount of money that we are required to spend in servicing the debt. The ballpark figures indicate that on revenues over program expenditures we are running a surplus of \$9 billion.

Senator Olson: That is what the minister said, yes.

Senator Murray: I repeat, it is \$9 billion—

Senator Guay: That is for the GST!

Senator Murray: —on revenues over program expenditures. That surplus of \$9 billion is more than eaten up by the debt servicing charges, which are in the vicinity of \$39 billion. Were it not for the large debt servicing charges as a result of the accumulated debt that we inherited in 1984, we would be running a surplus. The surplus of \$9 billion on revenues over program expenditures is evidence of the careful and effective management that this government has conducted of the nation's finances over the past five years.

Senator Olson: Honourable senators, I hope that the minister is not so naive that he believes that the Canadian people are naive and cannot even read. They know that when this government took over on September 17, 1984, the accumulated total national debt of Canada was somewhere in the neighbourhood of \$160 billion. The interest on that total debt was three or four percentage points below what it is today. Therefore, you have added about \$200 billion to the debt and increased the rate of interest charges on that debt by three points.

Senator Guay: Shame!

Senator Olson: If you think the people are so naive that they cannot read that and understand it, you are mistaken.

I know that you will try to do a public relations job on it. That is why I think you should try to explain at least to this chamber, and by way of this chamber to the Canadian people, what kind of "cooking of the books" you are trying to do now.

Senator Murray: Let me put a couple of figures on the record. There are more, but I will just put a few on the record. The national debt—and the honourable senator has alluded to this—has grown from \$200 billion when this government first

came to office to \$350 billion today. He obviously acknowledges that fact.

Senator Olson: Wrong on both numbers!

Senator Murray: The national debt has grown from about \$200 billion when this government first came to office—

Senator Perrault: You mean \$160 billion!

Senator Murray: —to \$350 billion today.

Senator Stanbury: That is right; more than double!

Senator Murray: The statement of the government is that fully \$120 billion, more than 80 per cent of this increase, consists of the compounding interest on the original \$200 billion left to us by my profligate friends.

• (1450)

Senator Olson: Surely he does not think we are stupid enough to buy that kind of argument!

Senator Perrault: They never accept responsibility for anything!

DELAYED ANSWER TO ORAL QUESTION

WEST GERMANY AND EAST GERMANY

GOVERNMENT POLICY ON UNIFICATION

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 20 last by the Honourable Senator Grafstein respecting West Germany and East Germany—Government Policy on Unification. This is a prompt response!

Hon. Allan J. MacEachen (Leader of the Opposition): Would you read it, please?

Senator Doody: Certainly. It is an opportunity for me to get my name in *Hansard*. The answer reads:

Canada supports German reunification resulting from self-determination, freely and democratically expressed. We welcome the declarations of the West German authorities that the Federal Republic of Germany will remain a member of NATO and other western institutions. Canada believes that German reunification should be part of a process that would include the following elements:

— consultations with all interested parties, including Canada

— maintenance of stability in Europe in full accordance with the principles of the 1975 Helsinki final act of the CSCE.

The Soviet proposal for a neutral Germany, which implies that the FRG would no longer be a member of NATO, is unacceptable to the alliance. However, it is recognized that legitimate security concerns of the Soviet Union must be addressed.

The German question and related East-West security aspects have been a recurring theme in discussions sur-