

### Supply

This party, which has led Canadians into the morass in which our economy now finds itself, will try to portray the pretenders to the Prime Minister's throne as the leaders best able once again to manage change.

Canadians have already had enough of these managers managing change. What Canadians want is an election to change the managers.

This government has had nearly five years since the last election to show Canadians how well it can manage change. It has had plenty of change to manage, much of it change which it provoked itself.

Hundreds of thousands of Canadians who are now on the unemployment rolls or the welfare lines have experienced the change that this government has produced.

It is worth going back more than eight long years to the economic statement of the former Minister of Finance on November 8, 1984. That document, entitled *Agenda for Economic Renewal*, was a brave statement of the new government's priorities.

I remember that statement because at the time I was a policy analyst fresh out of university working in the Department of Employment and Immigration. I was keen to apply my new knowledge to the exciting task of renewing the Canadian economy. The themes that ran through that document and to which the government, at least the finance minister, seemed committed were the need to get government finances, meaning the deficit, under control, removing the obstacles to economic growth, and achieving these aims equitably and with a concern for the most needy of Canadians. These were objectives I could get behind, and for four years I worked hard in my own small way to try to help the government achieve them.

It slowly began to dawn on me, as it has been dawning on the vast majority of Canadians, that this government is either uncommitted or incapable of dealing with the fiscal problems facing our country and of preparing Canadians for the economic challenges of the future.

The government began with very favourable circumstances. The federal deficit, though high in the aftermath of the 1982 recession, was declining. When the Tories took office the Canadian economy was surging forward. The new government had a sweeping mandate from the Canadian people for the kind of changes it was proposing in its economic statement. Instead the mandate was squandered. Rather than use the opportunity of

strong economic growth to make sizeable reductions in the deficit, the average deficit from 1984-85 to 1989-90 was some \$24 billion per year. The federal debt during that period nearly doubled.

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Indeed, in the run up to the election in 1988, the government so over-inflated the economy that the Minister of Finance launched a crisis call within months of that election on the state of the federal finances. Instead of acting decisively to remove obstacles to economic growth during that period, the government shuffled.

At the UI policy analysis directorate where I worked, we waited for the government to follow up in a serious way on its undertaking to correct some of the disincentive problems in the unemployment insurance program. When in 1989, after I left, the government finally screwed up its courage to make changes to the UI program, the changes it made merely weakened the underpinning of that program. It withdrew government financial participation without altering the underlying problems with the UI program itself. The changes in Bill C-113 are more of the same.

This government has known and the Canadian policy-making community has known since well before the last election that the single most important policy challenge facing our country is devising policies and programs and providing the necessary leadership to enable the Canadian economy and the Canadian work force to adjust to what is now being described by some as the new economy.

That is the emphasis on high value-added, knowledge-based, service-oriented industries. It has been widely known that the key ingredient in preparing Canadians for this new reality is a greater commitment on education, specifically in the development as quickly as possible of a highly trained, computer literate work force. The diffusion of that knowledge through the private sector will have a higher emphasis on research and development and on spreading that research and development throughout Canadian industry, be it fish processing or fibre optics.

It has been widely known since well before the recession that the underlying framework of policies in Canada in many ways supported a resistance to change. This resistance to change has been documented by study after study, beginning with the Economic Council of