

Supply

This motion was put forward by my esteemed colleague for Glengarry—Prescott—Russell. It is most important and very serious.

In 1983 the current Prime Minister stood in this House and declared: "The government should honour the fundamental British tradition in this country which calls for an election, not in five years, but within four years, so that people can judge the action of the government".

I wholeheartedly agree with the Prime Minister in his comments. I also must congratulate him for sticking to his principles the first four years of his mandate as Prime Minister of this country. He launched the 1988 election by declaring: "It has been a Canadian tradition to call an election after a government has completed four years of a mandate".

One would expect any principled individual to do the same thing four years later, but unfortunately this same Prime Minister has decided that there are things greater than principle. Even more unfortunately we have seen this Prime Minister and his Conservative colleagues cast aside principle on too many occasions over the past eight years.

The latest polls show the popularity of this government at only 22 per cent. I would like to take the time today to outline some of the things which have caused Canadians to lose confidence in this government.

First and foremost is the economy. It has been totally mismanaged by this Conservative government. The inaugural issue of *Canadian Business Economics* reports that tax increases since 1984 have been historically unprecedented in magnitude. The increase in the tax burden in Canada was by far the largest among the G-7 countries of the world.

Taxes on the household sector in this country saw an increase of 6.7 per cent of gross domestic product between 1984 and 1991. Comparatively in the United States, the increase was only 1.3 per cent. Furthermore the additional tax burden borne by the average Canadian family will be an increase of \$1,894 in 1992.

It is well recognized that the major challenge facing Canada today is that we must become more competitive in today's interdependent and highly competitive global economy. However, some serious disturbing signs of

Canadian competitiveness and our weaknesses have emerged over the last 10 years. Specifically, in relation to our major international competitors, growth in our manufacturing productivity and technology performance—two key indicators of competitiveness—has been quite poor. Our ability to compete in today's changing world economy is being eroded, not the least by the amount of the national debt that Canadians are financing.

Canada's merchandise trade surplus has fallen from \$19.8 billion in 1984 to \$11 billion in 1991. Canada's current account balance has gone from a \$2 billion surplus in 1984 to a deficit of \$27 billion in 1991.

Canada's share of world trade slipped from 5 per cent in 1979 to 4 per cent in 1989. Canada only has 2.6 per cent of the world share of trade in high technology products, compared with 3.5 per cent in 1971. Canada's labour productivity has grown only 1.8 per cent between 1979 and 1989, compared with 5.5 per cent in Japan and 3.2 per cent in the United States. Canada has lost over 200,000 manufacturing jobs over the past 30 months, and most of those jobs were here in the province of Ontario.

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In order to meet the demands of globalization, some important restructuring in industrial economies is necessary. Unfortunately the government has not taken any steps to meet these demands.

Canada needs a policy which both acknowledges economic change and which helps Canadians adapt to these changes. Recognizing the link between free markets and government is one step toward accomplishing this goal.

Liberals advocate a global trade policy driven by Canada's strategic trade priorities which reduces our dependence on the United States and which would endeavour to make Canada the first global outward oriented economy on the continent.

Liberals recognize that trade policy must be closely associated with domestic policy. Monetary fiscal investment, training, education and research policies must be linked together with our trade policy. The Conservative government has failed to recognize this need. It has also failed to recognize the need to rethink attitudes toward issues such as education and training, research and