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the labour force to the international competitiveness of our country.

Fairly recently I was in the process of consulting with some of my constituents on the issue of education. I received a little note from a Dr. Pugsley, a professor of management at McGill University. No one could have summed it up better than he did. He said that "there is an important connection between a well trained labour force and international trade for a country the size of Canada, but mentioning this just makes people yawn". No one could have put it better and I am very happy to see one of my colleagues bringing forward this correlation between the two.

I would like to ask him a question about his views on the issue of education and the connection between education as it relates to the labour force and to the reshaping of the status of Canada on the international market. I would like to ask him if he could put some emphasis on the need for a national strategy to deal with the issue of education, as it relates to that.

**Mr. MacLaren:** Mr. Speaker, I am very pleased that my colleague, the hon. member for Ottawa Centre, has raised the question again, which I touched on in my speech, of the central importance of education, in the broadest sense, to increased productivity in Canada, that is to say, our ability to compete with other countries in an increasingly globalized economy.

Any education strategy which he and I would both urge would, I am sure, embrace a spectrum of activity for a federal government. It would range from short-term adjustment programs necessary to cushion the impact of the changing nature of international trade and Canada's role in it, through to the longer-term contribution that a federal government can make to the education of Canadians so that they can compete effectively in a global economy.

Of course, all of us in this House recognize fully that the provincial governments bear the prime responsibility in our federation for education. But equally, I am sure that we have all recognized that over the years the federal government of Canada has played an important role in transferring funds and making support available to education in Canada which is an area, unfortunately, that has fallen to a degree, victim to this government's cost-cutting measures. This has, therefore, not placed

young Canadians in the position of being able to compete effectively in the world economy.

I would hope that when the next government comes to office, which will be a Liberal government, we shall see a plan put into place. Such thinking has already been discussed and examined with Canadians across the country. We must define the role that the federal government can play not only in the short-term adjustment assistance that is often necessary to afford a transition for an industry or a company, in terms of global competition, but also in the longer term which my hon. friend, I am sure, had in mind when he raised the question.

**Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)):** Mr. Speaker, I have a question for my hon. friend. I listened very carefully to his opening speech on this important motion and, frankly, a great deal of what he suggests comes very close to the orthodoxy of our party, not the orthodoxy of the Liberal Party.

For example, first he is concerned about inflation. I want to ask him then three questions. The first question is about inflation. We have inflation now running between 4 per cent and 5 per cent. Could the hon. member tell us where inflation was in 1982 under a Liberal government?

Second, the hon. member for Etobicoke North speaks about spending and the deficit. He knows of course that on operations of the government we are running now a surplus that I think is over \$14 billion. Could he tell us what the operating surplus or deficit was in 1982 or 1983 when the Liberals lead government?

The third and final question has to do with the whole question of a vicious cycle which he thinks that we are moving into. He used a conservative analysis, saying that high interest rates lead to inflation. Is he aware of how high interest rates were in 1982 and how high inflation was in 1982 in Canada? Is he aware that, today, after a great deal of spending and monetary relaxation in Great Britain, what interest rates and the inflation rate are in Great Britain compared to what we have in Canada?

**Mr. MacLaren:** Mr. Speaker, I do not know whether or not the hon. member was in the House of Commons in 1982. In any event, he should know very well that the period of 1980 to 1982 was a period when Canada, and