

*Economic Conditions*

There is no question that the economy of Canada is taking a beating because of the listless, do-nothing and layabout attitude of the Liberal party. What are the social costs in child abuse, parent abuse, frustration, alcohol and drug addiction across this country? Costs must be measured by pain and against time; not measured in terms of weeks, years, or percentage of the gross national product, but often measured in the lifetime of the individual.

This is the legacy we speak of tonight. The New Democratic Party and the Tories are not here tonight for fun, except for a few members. We are sending the Minister of Finance (Mr. MacEachen) and the Prime Minister a Christmas message to build a made-in-Canada interest rate and industrial strategy by January 12. Canada wants and needs it. Many are perishing economically while we speak. I beseech all members of this House to take this debate more seriously.

**Mr. Roland de Corneille (Eglinton-Lawrence):** Mr. Speaker, I would first like to address myself to the reasons and to say that I feel, as a Liberal who has been long enough in caucus, that I can say that those I have heard in caucus have at all times been expressing a constant, ongoing and deep concern regarding such matters as the increase in the cost of living, the cost of food and shelter, deep concern about inflation which hurts everyone, particularly those on fixed or lower incomes, and they think about those who are suffering because of inflation.

There is a constant and deep concern in our party and government regarding the increasing interest rates which hurt small businesses, those who now need to renew their mortgages and especially those who have gone into debt. I see a deep concern among members in the government caucus and in our government's actions regarding unemployment and alleviating the problems of those, especially the young, who are looking for employment at this time.

While I say that the government has a profound concern, I object to those who would make things so simplistic that they would invite me to say to the opposition, the Tories or the NDP, that they do not have any concern. That is equally silly to say. They have a concern. I find it rather strange for them to look over on the other side in such a simplistic fashion and to sweep away the deep and ongoing concerns of our government, saying we have no concern. That is hardly just and sensible.

In addition, that would hardly make any political logic if we were that way. Certainly we could not be stupid and over the history of Canada see the Liberal party re-elected time after time if the people thought we did not have a constant and ongoing concern about their futures. Look at the development of pensions over the decade, our work in bringing about medicare, our concern about unemployment and equalization between the provinces, our desire to ensure that the disadvantaged provinces could gain assistance from those that are more advantaged. I suggest that is one of the reasons the Liberal party has for decades enjoyed the confidence and trust of the Canadian people. They believe that we care.

That does not mean there are not serious problems at this time. It does not mean we should be unresponsive to the criticisms and concerns of the opposition at a time when the world is facing a grave economic situation, problem and challenge. Anyone who looks at the budget of the Minister of Finance (Mr. MacEachen) will recognize the concern of the government. But there are those who want to cure these problems of high inflation, high interest rates and so on by extreme measures. I suggest to you that extreme measures get the attention of the media, and to try to take the middle road, to try to take the cautious and careful path is not going to get extreme attention by the media. Those who want to make wild suggestions and who are for some extreme forms of economics will get the attention.

● (0400)

We find that the Minister of Finance said in his speech, quite rightly, I believe, in trying to identify the dangers of extremism, that some would urge a dramatic retrenchment by governments, an almost exclusive reliance on the mechanisms of the private marketplace, while others have urged us to intervene broadly, not only in shaping our industrial purposes but in controlling the setting of prices and wages, and the distribution of economic benefits generally.

The first, of course, includes those whom we heard tonight, some from the Tory party, who would suggest we have a total withdrawal of government and the allowance of free enterprise in the marketplace. The others in the NDP, I suggest, would want to have greater control by government.

The Minister of Finance said he rejects both extremes. Instead he said, in giving his budget:

—I have sought a strategy that I fervently believe will serve our national and individual interests while preserving essential individual freedoms.

Then he continued:

It is a strategy which balances restraint with essential measures to give support to the growth of productivity and productive capacity.

This, I suggest, is the position of our party.

We have another set of two extremes which have been suggested and which are called for by extremists, and they too receive media attention. On the one hand we have those in the opposition who want price controls. They want price controls and a freeze or rollback of interest rates. This, of course, would bring about, they feel, the desired result of bringing down interest rates. Unfortunately, they would haemorrhage the economy so that people would see the value of the dollar plunge, and that through problems of having to import things from abroad we would have higher costs and then very great acceleration of inflation. While taking the extreme of rolling back interest rates they would have us haemorrhage to death with increasing inflation.

On the other side we have again an extremist policy—simplistic and perhaps a little more confused, in fact. These people would want to protect the value of the dollar, as the government of the opposition did under the same governor of the bank, protect the interest rates, and jack them up. This is supposed to reduce inflation. But, of course, it brings in its