

Economic Conditions

We have heard the hon. member for St. John's West (Mr. Crosbie) this evening and on other occasions and in the question period today talk about the government having the responsibility to protect those who cannot protect themselves. There is nobody in this chamber, and nobody in this country I suppose, who would on principle, disagree with that concept. I, for one, do not and I do not know anyone in this government, or anyone who supports this government, who would disagree that the government has a responsibility to protect those who cannot protect themselves.

But a government cannot realistically—and I would be less than candid if I suggested otherwise—protect everyone from every unfavourable event. That is the kind of thing the hon. member for St. John's West has been advocating in the question period these last few days. I say to him it is high time the Tories made up their minds on this particular issue. Either the government should hold the consumer's hand at every turn, which is the argument which the hon. member for St. John's West has been espousing these past few days, or the government should disengage itself somewhat, should become less involved in people's lives which is what the hon. member for St. John's West has been heard to say on other occasions. On one occasion this fall in the House, on October 29 in the budget debate, the hon. member for St. John's West said, "A reduction in the total size of the government would be helpful". He has to make up his mind; he cannot have it both ways. He cannot, on the one hand, be saying that government should reduce in size and provide fewer services and on the other hand, when it is convenient for him, that the government should hold every consumer's hand at every turn. I invite him to come clean and to make up his mind. He cannot have it both ways; the Tories cannot have it both ways.

● (0150)

As we listened to the hon. member for St. John's West (Mr. Crosbie) and others who spoke in this debate this evening, we heard a number of suggestions concerning how the problem before us can be solved. One suggestion that there should be was a concerted attempt to get the consumer price index down, that we should go at it hammer and tongs, and that we should attack inflation today. I am sure the hon. member for St. John's West has had occasion, especially when he was minister of finance, to rely on the advice of economists. There is universal agreement among economists that a concerted attempt to wrestle inflation to the ground, without due regard to other considerations, would involve costs that would be simply too severe. I am thinking about the costs in terms of dollars and in terms of impact. The effort would be counterproductive. At this time it is certainly widely accepted that an attempt to wrestle inflation to the ground might lead to some success, but it would be at the risk of losing the patient; we would win the battle and lose the war. Basically the hon. member for St. John's West is saying, "I know I can cure you just as soon as I see the autopsy". He wants to wrestle inflation to the ground at the expense of everything else.

If I were preparing my Utopian shopping list, I would like a lot less inflation and a very much lower interest rate, but if it is

a matter of facing the realities as they are, one must ask the question: if I do this with inflation, what other ramifications will it have on the economy? Also one must ask: if I do this with interest rates, will it be counterproductive and create more harm than good? These are the kinds of questions in much more technical terms to which people like the governor of the Bank of Canada and others must address themselves before taking actions such as those advocated in the chamber this evening.

I did not realize my time had gone so quickly, Mr. Speaker. I wanted to address a number of interesting suggestions to the hon. member for Broadview-Greenwood in response to his comments. But in conclusion I say to the hon. member for St. John's West that the House ought to be able to look to him as a former minister of finance for a considered, dispassionate appraisal of the current economic situation. Unfortunately that is not the case, because he tends to fill up his time with dramatic rhetoric. He is marching to a different drummer these days. He is marching to the Tory leadership drum which is unfortunate. I appeal to him and to the right hon. member for Yellowhead (Mr. Clark) to take the Tory leadership campaign out of the House. They have been fighting—

Mr. Deputy Speaker: I regret to interrupt the hon. member but his allotted time has expired.

[*Translation*]

Hon. Roch La Salle (Joliette): Mr. Speaker, I wish to take part in this debate that, in view of the circumstances, will go down in history. I feel the large number of speakers is proof of its importance. The hon. member who has just finished his speech tried with great courage—or was it really courage—to get Canadians to believe that the situation is not all that bad. I find it incredible to see those people opposite make such efforts to try to save their government, when in fact they are responsible for the situation because they failed to take on their responsibilities when it was time to do so.

Today, we realize that Canadians are traumatized, worried; we are told that about 63 per cent of all Canadians view the economic future of their country with pessimism and concern. A poll reminds us that 40 per cent of all Canadian workers are now worried about keeping their jobs; it is no longer a matter of 1,400,000 unemployed, the responsibility of the government opposite, but of 40 per cent of all workers worrying about their livelihood. I feel that those figures, those considerations, force us to challenge the government and urge it to land on its feet. I say this is not news: interest rates are staggering, inflation forecasts already exceed by far those the Minister of Finance (Mr. MacEachen) dreamed up a few weeks ago. That has happened over a period of 13 years, as far as I can tell. Should you have come to this House 13 years ago, there were 300,000 to 400,000 unemployed then. Now there are one million and a half, of whom 500,000 are young people under 24 years of age.

The previous speaker recalled the events surrounding the introduction of old age security; Does he think that will