

after World War II. I am contending that in this we have not something new but, rather, an attempt to get back something which could not have continued in any case. The Tories want to breathe new life into an old economic paradigm.

The Government does not have, in my view, an adequate view of the crisis of profitability and productivity about which it spends so much time talking. The Tory hunch is that it all hinges on attitudinal change, that if the Minister of Finance sends out the right signals by indicating he is willing to cut the deficit, investor confidence will increase, the private sector will invest money in Canada, and jobs will be created. There is no concern, I might add, for what kind of jobs are created or whether investment is made in appropriately strategic areas. The government thinks that if it creates the right attitude, money will flow. I cannot prove this, Mr. Speaker, but I feel that the private sector will let its friends down, not because of any maliciousness on its part but because the problems run deeper than that. The answer is not simply to throw the door open to the private sector. The answer is not uncritical public sector spending, either. But I do not want to get into that argument. I am trying to transcend that argument.

The problem is international. The solution will also be international because, when it comes to environmental problems in particular, we will have to face up to them together. If one country tries to face up to the environmental dimensions of its economic problems alone, it will put itself in an uncompetitive position with respect to other countries. We will then hear arguments in the Canadian context, for example, of how we must stay competitive with other countries. Therefore, we must face up to this crisis of profitability and productivity in an international way so that countries are not played off against each other, or workers in one country played off against workers in another.

What is the crisis of productivity, Mr. Speaker? The crisis has to do with us having overestimated productivity for years. We have taken certain things for granted. We have taken for granted clean air, clean water, top soil; and the strong social and moral capital, which was bequeathed to us by 19th century piety, by the work ethics, and in North America by the pioneer experience. We have taken all these things for granted, Mr. Speaker, and they are slipping away from us, while we try to understand what is happening within the limits of an economic model which has no room for understanding these kinds of factors.

Over time, our economic system has destroyed what one might call these "free goods", goods which never had to be figured into the costs of production. We now know that mining is a lot more expensive than it seemed in the beginning when we start to take into account the cost of health care for occupational disease or the environmental costs of cleaning up acid rain. We now know that industrial technologies have been far more expensive than envisaged, after looking at the Love Canal and the quality of water in the Great Lakes. We now know that our farming methods have not been as productive as we believed they would be when we read the Senate report on soil erosion which just came out a couple of months ago. Our

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agricultural methods have tended toward a long-term decrease in productivity as opposed to an increase in productivity. We know that the whole dynamic of our economy, Mr. Speaker, tends to a disintegration of formerly valuable human relationships. I do not mean, Mr. Speaker, just spiritually or morally valuable but economically valuable economic relationships.

We are just beginning, Mr. Speaker, to comprehend the full social costs of our economic model. I am now talking about the social costs of the breakdown and increasing disappearance of the family farm, of the breakdown of the extended family and community and the breakdown of even the nuclear family. Even the nuclear family cannot survive the economic model of which we have been so fond. We have tried to meet the externalized social cost through the welfare state, but we have now another externalized cost coming due, and that is the environmental cost. This externalized environmental cost is working on us in two ways; for one thing, it is reducing productivity and profitability. We must go out a farther and farther into the forests for trees because we did not bother to replant when we first harvested that resource. We allowed the wasteful destruction of hundreds of thousands of acres to meet false needs. We allowed a system in which those needs were created through advertising. We are all guilty of this. It is not a question of pointing a finger. We are all guilty in our own individual way of being a part of this orgy of consumption, on which people will look back hundreds of years from now and ask: How could they have used up an accumulation of millions of years of resources in such a short time and without any regard for the future?

● (1600)

I am glad that the media is finally paying some attention to the forestry crisis. We have been raising it in this House ever since I got here, as I am sure people did before me. Hopefully it will catch on and some attention will be paid to the problem.

Another good example of how productivity is decreased through our own wastefulness is the incredible amount of hundreds of millions of dollars which has been spent in the last decade in places like the Beaufort Sea and other places where we have had to poke holes all across the Arctic looking for that last barrel of oil. Would it not have been wonderful if we had managed our non-renewable energy resources so well in the first place that we did not have to enter into that kind of risk-taking in the Arctic with respect to the well-being of native peoples and the very sensitive eco-system up there? Fishery is another example of how we are up against the limits of our economic model.

In any case, the problem is that this environmental limit reduces profitability. We have to go farther and farther and deeper and deeper. But if the companies involved are asked to clean up their act, then that reduces profitability. They say that that is too expensive and they may invest elsewhere. Or they may pass on the cost to the consumer in the form of higher prices, which will then either reduce demand or make them less competitive. So we see here that the concern about environment is not just a side issue; it is embedded right at the