

*The Address—Mr. Wilson*

and indicates the direction the government and the country will take in the 1980s. There are parts of this document with which I can heartily agree. I share with the government the confidence it has in Canada and in Canadians. We are truly a fortunate nation. We have an exciting and challenging period ahead of us, a period in which Canada should achieve real greatness, a period during which we should be the envy of the world.

I share the government's objectives in seeking to bind this country together in a way in which we can fill this promise. I am committed, also, to the strong belief that for this country to stay together it is essential that federalism should enjoy a strong renewal commencing with a No vote in the Quebec referendum on May 20. I will come back to this topic later in my remarks.

Nevertheless, in spite of the innate strength Canada possesses, in spite of the success we have enjoyed in the face of great adversity in the past, we must be careful to ensure that federal government policies do not undermine the very strength which has allowed us to maintain such a favoured position.

It is here that I part company with the philosophy set forth in the Speech from the Throne, for it appears to signal a continuation of some of the disastrous policies which have plagued us in recent years, years when our favoured position in the world suffered a distinct decline.

Let me elaborate on this. The speech states as one of two main principles that Canadians "recognize the need to live within their national means." Right on! But the federal government has not done so. The sense of commitment on the part of the government to living within its means, to reducing the deficit, one of the principal causes of inflation, is diluted by the same qualifications as have been employed during recent years when we experienced such a damaging increase in the deficit and in the level of inflation. They are content to treat the symptoms of inflation, to offer some small help to home owners, pensioners, farmers and small businessmen. These are all welcome steps, but there is no sense of commitment, no program, no discussion of inflation itself or of the fundamental causes of inflation.

As I said, I have read this document very carefully and I have been able to find only two inconsequential references to the word "inflation" throughout the whole speech. Inflation today is swirling around everywhere. Home owners are being forced out of their houses, businesses are going bankrupt, financial markets are being dominated by inflation. Yet the government has chosen practically to ignore the issue completely.

This is one of the main reasons it is essential that a budget should be brought down at the earliest date so that Canadians—individuals, companies and governments—can assess the federal government's programs and, hopefully, gain confidence that something is being done. I say this in my role as spokesman for my party on industry, trade and commerce. It is essential for Canadian industry to expand and build new plants and equipment to meet the challenge of the eighties. High

interest rates caused by inflation are sapping the cash and confidence which these people need to do their job. Investment decisions will be postponed and job opportunities will decline unless this confidence is restored.

• (1500)

I listened Tuesday to the right hon. Prime Minister (Mr. Trudeau) speak of the importance of freedom in this country and the freedom of Canadians to enjoy relatively the same standard of living without feeling that they have to move to Alberta or other parts of the country which are moving ahead more quickly than some of the others. I was impressed with these words, but there are much more basic threats than what he was talking about in those remarks. I do not believe that people today have to move to places like Alberta to enjoy the things they want in this country.

The more fundamental threat to our economic freedom today is the threat from inflation. Consider our pensioners, who are forced to sell their homes because the cost of taxes and maintaining a home has become too onerous. Low income Canadians are struggling to move from subsidized housing, and every time they feel they are getting a little bit ahead of it all, they find that their rent has been increased. Home owners renegotiating their mortgages are now completely dependent on the whim of a government to save their homes.

These are much more serious examples of loss of individual freedom. The response of the government to date has been to introduce programs to make this loss of freedom more palatable, while turning its back on the basic problem. This only serves to place these people more and more at the mercy of the state, to the point that many have virtually no economic freedom.

Let me give another example, which is equally as serious but more long-term in nature. Canada is living in an unreal world. We have energy prices which are less than one-half of world prices, and we have been spending at the federal government level for a number of years at least 25 per cent more than we have been earning. This cannot last forever. In spite of what hon. members opposite and hon. members to my left have been preaching to win votes, there is still no such thing as a free lunch. While we are enjoying ourselves today, we are leaving our children such a legacy of government debt that the increase in taxes in future years must be so large as to cut much more deeply into their economic freedom than is the case today. In other words, our children tomorrow will be asked to pay a much greater share of their earnings in taxes to pay for the freeloaders of today, you and me. That was the true wisdom of the budget of the hon. member for St. John's West (Mr. Crosbie) which, I am afraid, was lost on the Liberal-NDP coalition in December.

One way out of this dilemma is for the government to establish a clear priority of industrial development in this country. If we are to maintain the wide variety of social programs which we have been enjoying for many years, we must make a clear commitment to strengthen the apparatus to pay for them. That sense of priority and commitment was