

Supply

sense. This is something which must be done. It would put a good number of unemployed forest workers back to work.

These are the short-term solutions. What about the long-term ones? First we must recognize that the economic structures of the country are inappropriate and that we have ourselves in a real box or corner. It is time to stand up and say to the multinationals that we want some new production agreements negotiated and, if they want access to our domestic markets, that they must create some jobs in the country. The Japanese auto industry could be used as a case in point. We would say to the Japanese auto industry that if it wants to sell 200,000 cars in Canada in 1983, it must source the components and parts of those vehicles from Canadian manufacturers and that the vehicles must be assembled in this country. Of course, there is no more obvious place to assemble cars from Japan in this country than in British Columbia.

Mining plays an important role in British Columbia and in the economy of Canada, yet we continue to import most of the equipment used in mining and in the heavy construction industry. In a resource-oriented economy it is critical, yet we continue to welcome foreign mining equipment from Germany, Switzerland and Sweden, instead of developing and stimulating our own manufacturing industry. Again, there is no place better than British Columbia to start focusing on manufacturing, mining and construction equipment.

One could talk about the need for research and development to open up some new technologies so that we could start competing in a real way in the international marketplace. We should be encouraging Canadian industry in some of the critical sectors where we have a strategic advantage, such as the telecommunications and transportation industries. The important point is that we cannot wait. When we hear people like the chief executive officer of MacMillan Bloedel and some of the chief executive officers of the major banks and trust companies in Canada saying that we are staring an economic collapse in the face, we cannot await economic statements from the Minister of Finance. We are approaching a real depression in the country. Many people in British Columbia are now living in a depression state. Those who got us into this are the Liberals and the Tories. Canadians would welcome a proposal now that, if we are to get out of this economic and financial mess, we ought not to look to those who put us into the situation but look for a New Democratic Party solution.

Hon. Donald J. Johnston (President of the Treasury Board): Mr. Speaker, I must say it is a bit difficult to know where to begin when faced and confronted with the pot-pourri of rubbish we have just heard from the financial critic of the New Democratic Party. If I were to characterize his speech, I guess I would have to draw upon the term which he used. He said that he does not understand. He certainly proved that to us in spades during the course of his remarks.

In the course of the remarks which I am about to make, perhaps I could help him understand some of the areas that give him particular difficulty. Let me begin with an example. He started by citing the case of a woman who lives in his

riding whose life savings are evaporating. They are evaporating because of inflation, which apparently the New Democratic Party does not understand. All the policies of this government, policies which have been consistently stated by the Minister of Finance (Mr. MacEachen) and other spokesmen, policies, incidentally, which have been identified clearly by all members of the OECD group including the Mitterrand government as recently as this week, and all economic priorities in these countries have addressed the issue of inflation. This is something which our friends in the New Democratic Party have yet to understand. They do not understand that inflation is the evil which must be attacked with every fiscal, monetary and economic gun which the government has at its disposal. This is what the government has been doing and it is what the government intends to continue to do.

The hon. member does not understand why we suffer from such high unemployment, yet at the same time spokesmen for his party encourage and even exhort unionized labour in the country to seek higher and higher wage demands. Again, the New Democratic Party does not understand the relationship between wage increases and inflation. It has yet to understand the wage-price spiral. I will come back to that point in a minute.

The hon. member for Kamloops-Shuswap (Mr. Riis) spent a few moments describing the unfortunate circumstances of a woman in his riding and others. I am sure hon. members on both sides of the House are very sensitive to the difficult problems which are besetting Canadians today. I get tired of the New Democratic Party pretending that it has some kind of monopoly on compassion. We all have compassion; we are all trying to help those people. The policies of the government are intended to help those people, but not in the short term through spending programs and the traditional nonsense which emerges from the New Democratic Party. The policies are intended to put Canada on the road to long-term economic growth so that all Canadians will enjoy the benefits of growth. Our compassion will not only be rhetoric in the House of Commons and statements to the media; our compassion will be translated into hard, firm, sound benefits for all Canadians. That is what these policies are intended to do.

● (1730)

When that woman next walks into the office of the hon. member for Kamloops-Shuswap and asks, "What can you do?", she should be told that there is something he can do and that is to stop preaching increased wages to workers across this country and to begin to preach to his constituents, and to the CLC in particular, for whom he acts as a proxy in this House, that wage restraint must be the beginning of sound economic growth in this country. That is something he can do. I sympathize somewhat with the hon. member and, in fact, with all hon. members of that party, because they must march to the tune played by Dennis McDermott of the Canadian Labour Congress. It is most unfortunate.

Mr. Riis: Is that the best you have to say today?