

*Supply*

The other point I make is that I hope in the future we do not make the mistakes of the past. In the past we thought we could get along with a branch plant economy, that the General Motors of the world, the Exxons of the world, the General Electrics of the world, could establish a few plants in Canada and produce a few goods. However, I hope that as we move into something brand new and different, we as Canadians can have the initiative, the courage and the conviction to establish those industries in our country and to do those things ourselves. We are already good in a number of areas. We are good in telecommunications. For example, we participated in the construction of the space shuttle. We are good in many other areas. We should take the expertise we have, put some more funds into the area, and decide to really be one of the world leaders in this brand new and exciting era. At the same time, we should make sure that we involve the ordinary working people who produce the goods and services in some of the decision-making. In this country we have had much talk and rhetoric for years about political democracy. I think that as we enter this new era it becomes even more important that we start talking and devising plans for economic and industrial democracy so that the ordinary worker, farmer and small businessman has some real input over the direction of his life.

I have only a few minutes left in which to speak, but I believe these are some of the fundamental things we will have to consider in the area of trade. That is not the only area. We must look at many other areas. I hope this Parliament can become more relevant by discussing some of these matters in the future. I hope we can spend less time on name-calling and games-playing back and forth across the floor of the House. If we do that, perhaps we can build a better nation in this country and keep our country together, because more and more Canadians are losing faith in us and in this very nation. This last month in western Canada, for the first time in our history, we had the election of a separatist to the legislature of a province, the province of Alberta. I want to say that I do not think we should over-react. I do not think the press should over-react. However, on the other hand, it is very important that we understand that that separatist was elected because people are fundamentally unhappy with the lack of leadership and vision in this country. I hope we can learn from that that there are options.

There are alternatives. There is a new vision and a new way. I think that the people of Canada are looking at this institution to provide that leadership. We had better do it before it is too late and this country disintegrates.

**Some hon. Members:** Hear, hear!

**Mr. Douglas Fisher (Parliamentary Secretary to the Deputy Prime Minister and Minister of Finance):** Mr. Speaker, this is my very first occasion to enter a debate as a parliamentary secretary. I would like to say immediately to the hon. member for Kamloops-Shuswap (Mr. Riis) that I appreciate his motion. I think he has given us a very crucial question. I am indeed honoured to be able to take part in this discussion.

The main point I want to make today is that I believe inflation is the worst disease we have in our economy, and we must concentrate on combatting that disease. The hon. member for Yorkton-Melville (Mr. Nystrom) made a very powerful and emotional statement right at the beginning of his speech in describing the fears of many of our fellow Canadians that our country is falling behind. I say in all honesty that I found the presentations given, both by the hon. member for Yorkton-Melville and by the hon. member for Kamloops-Shuswap, missed the point. We will indeed begin to fall behind if we do not exercise the kind of tough decision-making and self-restraint which our times call for. The very fears to which the hon. member for Yorkton-Melville referred will be self-fulfilling if we follow the course of action he laid out. I believe a clear example of this was given by one of my own constituents who came to see me at a mortgage meeting last fall. My constituents wanted to know why mortgage rates were so high. They complained about that fact. One particular constituent told me that she thought her life would be better as she got older and that it would not get harder. In a way, she was echoing the statement of the hon. member for Yorkton-Melville. She indicated to me that her family has a very high take-home pay. They have a camper truck and they take extensive vacations. They had a very big mortgage, and her husband had recently taken a bath on the stock market. In her judgment, the answer to those difficulties was to lower mortgage rates.

• (1630)

I understand the sentiment that she expressed to me. I understand her desire to have as much as she can and to maintain her living standard as high as she can. But in fact she was unwilling to go through a very simple economic exercise. In her life she simply had to start making a list of her priorities, instead of going after everything that she wants at once. The budget speech says exactly this, right at the beginning of page one, in somewhat less specific or less personal language. I think it is worth quoting here, because it puts the whole problem into perspective. It says:

We are confronted by severe inflation and extremely high interest rates. Inflation and interest rates at their present levels are bringing economic growth to a standstill and creating grave inequities among Canadians. The impact of high interest rates on home owners, small businesses and farmers is visible and damaging. But high interest rates flow from high inflation and there can be no deep and lasting relief until inflation can be reduced. We cannot hope to insulate ourselves from interest rate policies in other countries unless our inflation rate is lower than theirs.

There is a growing conviction around the world that growth cannot be sustained if inflation is not sharply diminished. That is a very tough question, a very tough challenge, but it is one that we have to meet today.

Turn the coin over. What happens if we begin to do some of the things that were suggested to us in the debate today, if we begin to loosen up, if we ease back from our policy of restraint? Very simply, we will have more money chasing around the country, we will have more inflation, and that