

• (1050)

This *laissez-faire* approach has its advocates, but that is not what was promised. It is not managing change, it is letting change manage us. This idea that you can get the fundamentals right and then go out and win in the open market suggests to me the analogy of a hockey team owner with lots of money who goes out and recruits the best players for his team. On paper it looks great—high scoring forwards, tough defence, and great goal tending—but if he sends his team out on the ice without having the players practice together and without a strategy to defeat the opposition the result will probably be disappointing.

In a sense, that is what is happening to Canada at the present time. Eliminating barriers to trade was one of the fundamentals of the Tory economic strategy. So what did the government do? It made a deal. It signed Wayne Gretzky, or at least it thought it did, by getting a free trade deal with the United States. The government said: "This guy will score goals for us. Just watch".

Gretzky sat around all summer and got fat. He did not bother with the physiotherapy on his back. The coach wanted to pamper him a bit so he let him report late to training camp. Did he score any goals? A good junior A team would have checked him out of the game.

The free trade agreement was signed when the Canadian dollar traded at 76 cents U.S. No one had even thought about what might happen if it reached 88 cents. There was a promise that there would be massive adjustment programs to retrain workers whose jobs were displaced by the FTA, but these were never delivered. Three years after the FTA came into effect we are still arguing about the reduction of trade barriers between Canadian provinces. In other words, we threw ourselves into a highly competitive game without even having played a house league game under the new rules in our own rink.

While the fundamentals are important, there also must be a broad strategy for fitting the fundamentals into the over-all social and economic agenda.

Think about what Canadians were asked to deal with. They had to deal with a U.S. free trade deal without an adjustment strategy, at the same time as other global competition with our manufacturing sector was intensify-

Government Orders

ing; high real interest rates in comparison with U.S. rates being maintained in an effort to achieve zero inflation; after years of expecting a certain amount of inflation; and a new visible sales tax at the consumer level while the Canadian dollar was soaring in value relative to the U.S. dollar. Canadians had to deal with all of this in the midst of a recession and a constitutional crisis.

This is not my idea of managing anything, let alone managing change.

We all need to acknowledge that Canada faces some very difficult adjustments if it is going to maintain its standard of living. Of all the powers that governments may have at their disposal one is not the power to turn back the clock. The task of government, as Liberals were told at our Aylmer conference awhile back, is to represent the future to the present. It is not to strive to bring back the past. We must prepare ourselves for the task of moving forward.

Mr. Speaker, I will not bore you with statistics pointing out how precarious our position is becoming as a competitive nation in this global economy. Let us instead remind ourselves that we continue to enjoy one of the highest standards of living in the world, the second best quality of life in the world according to the UN, and one of the highest labour productivity rates in the world.

The fact that other countries are catching up is the inevitable consequence of the globalization of technology. The anxieties I mentioned earlier are in part the consequence of change and in part the result of the failure of Canadians to produce enough wealth to pay for our current consumption.

Although we have the seventh largest economy in the world, Canada is the world's second largest debtor in absolute terms after the United States. Our domestic savings are unable to meet the needs of our economy for new investment, feeding the insatiable appetite of governments at all levels to borrow.

I believe that this collective living beyond our means is at the core of some of our discontent. If we are to avoid continual wrenching adjustments to the standards of living we have all come to expect, beginning with the level of government services, we need to make a number of very fundamental changes to the way we look at things. These changes will require two things that have