

itself—which I understand was added at the last moment—which is this:

That we must deal urgently with the deficit is beyond dispute.

This is not simply the view, Mr. Speaker, expressed by the Leader of the Opposition (Mr. Turner), at least the view he expressed before the summer campaign got under way. It is also the view which had begun to be established by the previous Liberal Government. The Liberal Throne Speech of last year used the following words: the Government would pursue—

—a fiscal policy track which will contain and then curb the federal deficit as recovery strengthens.

The case I want to make, Mr. Speaker—and I do so for all members of my Party from coast to coast as well as for all the men and women of our country—that if they considered all the implications of this debate, they would find that this fundamental approach pursued by the previous Liberal Government in its latter years, and reiterated with great emphasis by this new Conservative Government, is fundamentally wrong. This approach by the Government mistakes the symptoms for the disease. By attacking on a priority basis the symptoms of a disease instead of its causes, there is serious risk of doing irreparable damage to the patient.

I want to say, Mr. Speaker, that our problem is one of bad economic performance. Our problem in Canada is that too many men and women are collecting unemployment insurance cheques instead of paycheques. Our problem is that there is too much suffering and too few jobs in the country. Our need as a nation is not to repeat the errors of the past but to learn from them. Our need is not to have a government which plans to implement recent Liberal policy. What we need is a government which would change that Liberal policy.

I say with a great deal of emphasis, Mr. Speaker, that the current mess our economy is in and its ramifications throughout our land were indeed the creation of the Liberal Party of Canada. There can be no doubt about that. However, I also want to say that the Liberal Government just a few years ago began to try to extricate itself from this mess. It began then to see as a disease what I have described as the symptoms. It began to go just a few years ago in a direction which the Conservative Party has now pursued and will be pursuing with a great deal of vigour, I am sure, tomorrow night. That is to say, it began a series of policies and programs with which Canadians are now pretty familiar. I want to remind the Conservatives of the Liberal origin of their current policy. We had in recent years the six and five program, civil service cut-backs, reductions in family allowances, reductions in pensions, and increased loopholes provided in our tax system for upper-income Canadians. We had not millions but billions of dollars in the form of give-aways in an unaccountable fashion introduced into the corporate tax system, give-aways which went out to the corporate sector without performance criteria being attached to them. All of these things, I say, are within the framework of the kind of policy which is now being pursued but incorrectly described by this new Government as being a new policy. These policies were begun by the Liberals.

The Address—Mr. Broadbent

What did the Liberals say that these policies would lead to? They said that they would lead to economic recovery, that they would begin to turn the mess around which the Liberals had created from 1968 up to the end of the 1970s. But what did we receive instead? We had upper-income Canadians who received the tax breaks, yes, but last year investment in the economy went down, not up. We had thousands of corporations taking advantage of the tax benefits, and I do not criticize them for doing so. Anyone would take a tax benefit if he could. However, the same corporations, according to the president of one of our chartered banks, indicated there was a whole batch of programs which gave them windfall profits they did not need. They received largesse from the taxpayers but did not invest it. We did not create more jobs, Mr. Speaker, we created fewer jobs, and it is to these kinds of programs that we want to put an end.

I want to say to the Conservative Government that, in my view, the approach that it is now embarking upon could turn out to be not only disastrous for the people of Canada but could be its own political undoing. Partisan politics is something that that Party understands very well. I ask the Conservative Government to consider those parts of the world that have already put into operation, on a deeply penetrating basis, the kind of approach which the Liberals started in recent years and which we heard in the Throne Speech and in statements earlier this month from the Prime Minister and the Minister of Finance. It has not been applied in the United States. Mr. Reagan was originally elected on a campaign to reduce the deficit. He went around the United States saying that the top priority should be the reduction of the deficit. When Mr. Reagan came to power, what did he do? Did he reduce the deficit? Not at all. The United States under the Reagan administration has had the most massive increase in the deficit of any period since World War II. The United States has also had the most rapid economic growth, the lowest level of inflation and the best job-creation rate of any industrialized country in recent years. Mr. Reagan preached one thing but practised another when it came to major fiscal policy.

Where have we seen the application of this new Conservative approach, Mr. Speaker? Where have we seen it put into operation? We have seen it put into operation in the United Kingdom by Margaret Thatcher, who made the mistake of not only taking up the rhetoric of Mr. Reagan but the substance. What she has produced in the United Kingdom is an unmitigated disaster. High unemployment persists, social conflict has exacerbated. Instead of bringing a sense of renewal of purpose to the people of Great Britain, Mrs. Thatcher has brought to them a new level of despondency.

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I do not have to go to the United Kingdom either, Mr. Speaker. I can go right to the West Coast and the Social Credit Government of Mr. Bennett. We have seen in the Province of British Columbia that Conservative philosophy which the present Prime Minister has advocated in this Throne Speech. That province, once wealthy in opportunities for men and women, in jobs and social services, has gone persistently