

Economic Conditions

● (2050)

The hon. member for Oshawa has suggested that the government take advantage of the Christmas holiday. It is a government that likes deadlines and likes to impose deadlines on Parliament, the provinces and the people. Let it take a deadline for itself, the deadline of January 12 when this House of Commons will resume, and let it come back at that time with an economic policy that is not only compassionate and not only helps those Canadians who are in need, but is also one which looks to the future, so that Canadians will not have to worry about whether their job will be secure, whether their children will find a future in this country which should be full of promise, instead of blaming it all on the Americans, instead of saying there is nothing the government can do and instead of telling the poor to budget better.

The Government of Canada should come back in 1981 with an economic policy, an economic statement and some economic honesty so that the people of Canada will be served, instead of deceived, by the government that now rules.

Some hon. Members: Hear, hear!

Mr. Clark: Where is the Minister of Finance?

Miss MacDonald: The Minister of Finance is afraid.

Mr. McGrath: He is hiding behind his desk.

Hon. John C. Crosbie (St. John's West): Mr. Speaker, the Minister of Finance (Mr. MacEachen) continues to be silent. This Minister of Finance is Canada's most silent minister of finance, but he has the most reason to be silent. He is not able to stand up and defend his lack of policies when the Leader of the New Democratic Party (Mr. Broadbent) and the Leader of the Official Opposition (Mr. Clark) speak out against them.

For the past nine months and 18 days we have had a slough of drift, of mistaken, politically-inspired attacks by this government on the provinces, the oil and gas industry, the private sector in general, foreign investment and domestic investment and that is why we have today a Canadian dollar which is hovering between 82 cents and 83 cents, the lowest in 47 years. That is why we have today a Bank of Canada rate of 17.36 per cent, the highest in our history. That is why we have today a prime rate of 18.25 per cent, the highest in our history, three times what the usurious rate was ten years or 12 years ago when the Bank Act stipulated that 6 per cent was the maximum interest rate at which banks could lend. Tonight the prime bank rate is 18.25 per cent.

All this has occurred under the Minister of Finance. That is why we have an inflation rate of 11.2 per cent today, just six weeks after the minister predicted that it would be 9.7 per cent this year and 10.2 per cent next year. We have 787,000 people unemployed. The minister's own projections show that 1,026,000 people will be unemployed next year. If we take the real unemployed, those who have given up trying to look for jobs because there are none to be found, then the unemployment rate would be well in excess of one million.

That is why we have a current account deficit of \$6.2 billion, which is what the minister estimated for this year. That is why the Canadian dollar is so low, because for seven years under the neglect, the politicizing and politicking of this government we have had a current account deficit and for seven years Canada has been living off the rest of the world. Canada's deficit with the world over the last seven years has amounted to \$30.8 billion. Is it any wonder why the Canadian dollar is now under attack and so weak and why we must follow U.S. interest rates? It is because we have a government which is old, tired, cynical, smug, a travelling government of good old boys. They are too busy scratching one another's backs while in power to worry about what is happening to the Canadian public in the ten months they have held office.

We have had nine months and 18 days during which the government has forgotten about the tenants about whom last fall they were so concerned and forgotten the home owners, the potential home owners, the young, the elderly, the unemployed, the regionally disadvantaged. Where are these groups today, long forgotten by this government? This government has forgotten that down in Newfoundland one-twelfth of the total income comes from unemployment insurance. It has forgotten that, while at the same time it is trying to crush the government of Newfoundland because it is standing up for its right to offshore oil and gas and its rights in the constitution. It has forgotten the regionally disadvantaged and the hungry. The Prime Minister (Mr. Trudeau) advises them to spend less on transportation, rent and mortgage interest and more on food. That is his advice to the hungry and the elderly.

Everything which this government said in opposition last fall, it has since ignored. It created the expectation that it could cure everything. For the few short months they were out of power the economic conditions of the past 12 years which came to fruition while we were in office were all our fault. They raised the expectation that they could cure these things. How did they raise that expectation? They said things such as the finance critic of the opposition stated in the House of Commons on November 6, 1979:

The Liberals and I generally want action taken now to prevent the hardship this Conservative high interest rate policy is creating for millions of Canadians and their families.

Do hon. members know what the interest rate was then? It was 14 per cent. The Liberals' hearts were bleeding for Canadians and the hardship that rate of interest was causing, and today it is 18.25 per cent. So what is the government going to do about it now? We responded with a small business development bond, with a mortgage interest and property tax credit scheme to help the home owner and an energy tax credit to help lower-income Canadians. But at that time the Liberals wanted action taken to prevent the hardship caused by the Conservative high interest rates. By March 10, 1980, the finance critic in opposition had become the Minister of Industry, Trade and Commerce, (Mr. Gray) and at that time he said he was pleased with the new floating interest rate policy of the Bank of Canada. Is he pleased today that the rate is