

Oral Questions

Mr. Speaker: Will the hon. minister complete his answer.

Mr. Hockin: Mr. Speaker, the hon. member raises a question of collection of the tax. Under the sales tax now, small businesses have to collect it. It is very biased and unfair the way it is applied. We are going to broaden the tax, lower the rate and simplify things.

But I also want to tell the hon. member that on the cash flow side for small business there are great improvements in this scheme under cash flow. I want to make this very clear to the House, that under this particular scheme you get your credits back on your inputs very, very quickly before you sell your inventory. That is a great improvement over the present method.

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CANADA-U.S. FREE TRADE AGREEMENT

POSITION ON ADJUSTMENT PROGRAM

Hon. Lloyd Axworthy (Winnipeg South Centre): Mr. Speaker, I have a question for the Prime Minister.

Some Hon. Members: Leader, leader!

Mr. Axworthy (Winnipeg South Centre): The last thing I need is a Tory endorsement. I have a question for the Prime Minister if his members will allow him to answer.

I understand the fear and trembling of the Prime Minister over the tax pratfall by his Minister of Finance but I would like to draw attention to another serious economic problem and that is the unravelling of the free trade agreement. We have had the worst trade figures in 10 years. The regional subsidy program is being threatened by the pork decision; fishing is threatened by the west coast processing decision. We have serious dairy problems. We have just had 300 workers laid off that the Outboard Marine plant in Peterborough as a direct consequence of the free trade agreement.

I ask the Prime Minister, when is this government going to wake up? Does he understand there is a lot of human suffering being felt because of the free trade agreement. In particular, when does the Prime Minister intend to live up to the commitment he made seven months ago when he said that Canada would have the most massive, largest, best adjustment program? We

have no adjustment program. I ask the Prime Minister, when will you live up to at least one of your promises?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I suppose that one way the opposition often measures the efficacy of government action in the economic field is by the job creation numbers. I think that still remains a fairly objective barometer. I know that my hon. friend, having predicted there would be serious job losses on January 1, will be pleased to know that since January of this year, 209,000 new jobs have been created in Canada—

Some Hon. Members: Hear, hear!

Mr. Mulroney: —and that 95 per cent of those jobs have been full time. That is very important for my hon. friend to remember, because in the previous Liberal government 89 per cent of jobs created under his administration were part time.

Some Hon. Members: Hear, hear!

Mr. Axworthy (Winnipeg South Centre): Mr. Speaker, I would like to ask the Prime Minister if he is prepared, because none of his ministers have been prepared so far, to give us the figures of how many high-paying industrial jobs for technically skilled workers of this country have been lost as a direct result of this government's programs and the free trade agreement. Will the Prime Minister give us those figures? At the same time, will he also tell us how many more jobs will be lost as a result of the secret negotiations that are continuing on the accelerated tariffs where all kinds of companies are asking for new deals on the free trade agreement that will bring about more lay-offs, more closures of the kind that we experienced in Peterborough this weekend.

Hon. John C. Crosbie (Minister for International Trade): Mr. Speaker, the hon. gentleman as usual is one election too late.

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Here are just a couple of stories from the *Financial Post* of the weekend: "Signs point to trade upswing"; "Ontario's vintners confident they can thrive on free trade, surprised to discover that almost a year into free trade their sales are running ahead of 1988's. So far so good." That is Chateau des Charmes' manager and I hope the messenger is as charming as his report. The International Monetary Fund said that the free trade agreement, planned reforms to UI and the finance minister's proposed goods and services tax should help bring about a significant improvement in economic