

Oral Questions

ment for U.S. travel renders Canadian air carriers less competitive *vis-à-vis* their American counterparts". Mr. Sinclair was talking about the GST.

There are other experts who have said that Canadian airlines will find it very difficult to compete with American airlines because of the GST and because of the lower fuel prices in the United States.

In fact, why does the government continue to pursue its programs of free trade with the United States, the GST and deregulation of airlines?

The experts in the industry indicate that these are causing greater unemployment. We are into a recession. Why does the Prime Minister not withdraw the GST, back down with the deregulation of airlines with the United States and save Canadian jobs?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, every socialist country in the world from Poland to Czechoslovakia to eastern Germany has recommended liberalized trade, the shucking of the regulations that existed in the economy. The only people who believe in protectionism are the NDP in Canada.

My hon. friend has quoted a number of people with regard to the GST. She may choose to be very helpful to the process by speaking to her seatmate who moonlights in the Senate—

Some hon. members: Hear, hear.

Mr. Speaker: Perhaps the right hon. Prime Minister could complete his question.

Mr. Mulroney: I was talking to my old aunt Mabel in Kamloops, and she cannot believe that she voted for Nelson for the House, and now he wound up in the Senate.

Some hon. members: Oh, oh.

Mr. Speaker: I hope there are no more aunts—

Some hon. members: Oh, oh.

Mr. Mulroney: Mr. Speaker, my aunt twice removed.

I just wanted to say to my hon. friend, the leader of the NDP, that when she is talking to the embryonic senator, there is a quote with regard to the GST by one of Canada's distinguished columnists that says this and perhaps it should be brought to the attention of her seatmate. "The Liberal members of the Senate of Canada are collectively a disgrace to this nation. To

witness those underworked and overpaid foul-talking, desk-banging senatorial anarchists acting like animals within the Parliament Buildings"—

Some hon. members: Oh, oh.

* * *

GOODS AND SERVICES TAX

Mr. John Manley (Ottawa South): Mr. Speaker, we know that aunt Mabel won't vote for him again in the next election.

The Conference Board of Canada said today that we are in our first made-in-Canada recession. What the government has offered us is this made-in-the-Tory caucus propaganda sheet that sanctimoniously promotes the government's economic policies.

I would like to know from the Minister of Finance why he has not admitted in this propaganda sheet that it is his high interest rate policy that is driving tens of thousands of Canadians out of their jobs and putting Canada into this recession that the Conference Board has described.

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, we have policies. We have set them out very clearly.

To quote what the hon. member has said himself, "The Liberal Party would not have a shred of credibility if they didn't propose alternatives." Where are the alternatives of the Liberal Party of Canada?

Mr. John Manley (Ottawa South): Mr. Speaker, the minister knows about not having a shred of credibility.

Yesterday, he justified this propaganda sheet by saying that he sent it out to Canadians because it responds to their questions in an open, frank and direct way.

I would like to know whether the minister thinks it is open, frank and direct that in this sheet, he has not admitted that the GST is going to deepen the recession that we are already in. He has not admitted that the GST is not visible or revenue neutral as he had promised. He has not admitted that the GST tax credits are not indexed. Why did he pass up a \$1.3 million opportunity to tell the truth?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, maybe what my hon. friend is looking for are statements from the Organization of Economic Co-operation and Development which says we should have a goods and services tax, which supports the monetary