

Oral Questions

worse for everybody concerned. As he said, we know that interest rates must come down. This is precisely why we are taking measures to create the kind of conditions that will ease inflationary pressures and keep pushing interest rates down. The government is doing its best to achieve that and make sure the unemployment rate declines rapidly.

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, rising unemployment shows that the recession is far from over. We lost 420,000 jobs last year. My question to the government is this: It often talks about national unity, so why does the budget fail to address directly the unemployment issue, particularly when we know that in Montreal, for example, another 60,000 men and women joined the ranks of the unemployed this month?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Madam Speaker, I can only repeat the remarks of my colleague the Minister of State for Finance and Privatization. We are concerned about the recession. Still I would remind hon. members that for a year and a half or two years now we have been saying that the Canadian economy is weak; that Canadians go on overspending despite the inflationary pressures on the economy; that they are jeopardizing their own jobs; and that interest rates are there to reduce that pressure. Yet opposition members said: No, no, artificially bring down the interest rates, increase the monetary mass, inflation and unemployment.

In an attempt to correct the situation we had to make decisions that should have been made in 1980–81. Interest rates have been going down over the past four months and the situation in Canada has been gradually improving so that industries—they, not the government, create jobs—will find that conditions are ripe for the recovery we are all waiting for.

• (1140)

[English]

Mr. Steven W. Langdon (Essex—Windsor): Madam Speaker, the minister talks about the problems this government has tried to deal with. It says that inflation was a problem. It is a problem which this government has made worse with the GST. That is what the last statistics on the cost of living show us.

They said interest rates were falling and that would get us out of this problem. Yesterday they rose. They said jobs would be helped. Today they have given us the biggest jump in unemployment since 1985.

Will this government admit that its budget last week was a mistake? Will it admit that it has failed people, that it has listened to big business instead of caring about the ordinary person. Will it turn direction and put this country back on—

Madam Deputy Speaker: I think the hon. member has put his question.

Hon. John McDermid (Minister of State (Finance and Privatization)): Madam Speaker, that is the same member who stood up in this House just a few months ago and demanded that interest rates drop 2 per cent. That is exactly what they asked for. They have dropped 4 per cent. The gap in interest rates has narrowed between the United States and Canada, rather dramatically. He is wrong in his figures again.

If the hon. member wants to get his act together, why does he not stand up and thank the government for lowering interest rates 4 per cent? He asked for 2 per cent and we doubled it.

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KUWAIT

Mr. René Soetens (Ontario): Madam Speaker, on a daily basis we observe in the news media the destruction that has taken place in the Persian Gulf, particularly in the country of Kuwait because of the war. That presents a tremendous opportunity for Canadians, as it does for many people around the world, to create the jobs that are possible through economic activity.

Can the Minister for International Trade advise us what the Government of Canada is doing to assist Canadian business to make sure that Canada gets a portion of the work available in Kuwait.

Hon. John C. Crosbie (Minister for International Trade): Madam Speaker, on July 16, the Minister of Finance of Kuwait visited Ottawa and met with me and with the Prime Minister. He assured us that we would have a prominent and valuable part in the reconstruction of Kuwait.

At the present time, the Secretary of State for External Affairs is visiting Saudi Arabia and Kuwait. He has with him a senior business delegation from Canada. We