

*Oral Questions*

Why does the minister not do the sensible thing, forget about the GST, and come forward with some policies to fix the recession in Canada that he, by his own policies, has caused?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the hon. member says we have not changed any elements of the GST. The hon. member is a member of a committee that came out with a report a year ago. We read that report very carefully, responded to a number of the suggestions, proposals, and recommendations that were in that report and made some changes which I announced in the House on December 19 last year.

The hon. member says we should scrap it. If the hon. member has any alternatives, any basis on which we could improve the tax, then we have listened to those. We have incorporated those and they have been the subject to a vote in the House. It is passed and it is now sitting in the other place waiting to be passed over there.

The basic reason why we think that it must be passed is because it is going to be better for this economy.

**Mr. Fontana:** It will be wrong.

**Mr. Wilson (Etobicoke Centre):** The hon. member for London East says it will be wrong. If he would let me know how he thinks it will be wrong, maybe we could have listened. But he was nowhere to be seen a few months ago.

What we have said, Mr. Speaker, is that the tax is good for the manufacturing sector. It is good for our resource sector. It is good for exporters. It is good for producers who are having to compete with importers. It will improve the health of this economy.

**Mr. Steven W. Langdon (Essex—Windsor):** Mr. Speaker, last night the finance minister finally got his courage up and he said the *r* word.

**Some hon. members:** Oh, oh.

**Mr. Langdon:** He also complacently went on to say, and I quote from the transcripts of the committee:

—it is not only natural but it is necessary to have some levelling off here—

Can the minister tell Canadian families across the country how it can be natural and necessary to lose 80,000 jobs next year, as the Royal Bank has forecast? How can it make sense to drive us into a recession?

**Some hon. members:** Hear, hear.

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I ask the hon. member to make that statement, but to make it in the context of what has happened since 1984, when 1,600,000 jobs have been created.

I also ask him to consider what would happen if we had let the party go on and let inflation get out of control, as is happening right now in the United Kingdom. The result would have been far higher interest rates and a much more difficult economy.

I take no satisfaction out of seeing people lose jobs. I made that point last night, but my hon. friend neglects to quote that. I would like to see an economy that is booming, but unfortunately an economy cannot continue to boom. That is why I say it is natural to have a slow-down. It is the same way for someone running a marathon, they cannot run it at the same pace as they run a four-minute mile.

• (1430)

We have to slow down, get our pace, catch our breath and understand how we can get back on to a faster pace of growth later. That is the basis on which I said last night, as I have said on many occasions, that it is a natural evolution of an economy to have that type of slowdown.

The key is to make sure that the slowdown—

**Mr. Steven W. Langdon (Essex—Windsor):** Mr. Speaker, this would be the first marathon runner that I have ever seen who turned around and started to go backward.

Does the minister not realize that his recession means lost farms, lost businesses, lost jobs and lost hopes for Canadians right across this country? Will this minister not take action to do something about this recession? Will he not cancel the punitive GST tax?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, that is precisely the same question that was asked on two occasions by the Liberals just today in the House.

I would suggest that possibly the hon. member might write his questions three or four at a time so he could have a little variety.