

Oral Questions

[Translation]

THE ECONOMY

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, my question is directed to the Minister of Finance. In a report published yesterday Statistics Canada revealed that in the past 10 years the average family income in Canada dropped nearly \$2,000 in constant dollars. However, although the Canadian family is getting poorer, the minister had the nerve to bring down a budget without a single measure to boost the economy.

Does the minister realize that doing nothing about this substantial drop in Canadian family income is irresponsible? Has his government's apathy affected the minister to the point that he is now resigned to throw in the towel?

[English]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I think I have answered that question once before. As I indicated, real family incomes grew by 9 per cent between the period 1985 to 1990. This growth has occurred in all regions and across all levels.

Mr. Benjamin: You mean StatsCan is lying?

Mr. Mazankowski: As a matter of fact, while we have come through a difficult recession, a difficult economic setback, much of this has been compensated for by the increase in the level of government transfers to individual Canadians from roughly 8 per cent to 12 per cent. That has helped cushion that blow.

The hon. member is quite well aware that when you have these kinds of setbacks, the automatic stabilizers kick in and provide that sort of comfort to Canadians.

[Translation]

Hon. Lucien Bouchard (Lac-Saint-Jean): Mr. Speaker, the minister is trying to hide behind the figures, but the fact remains that in Montreal alone, 700,000 people are living below the poverty line.

The minister cannot hide the fact that across Canada, one child out of five is living in poverty. And Canadians will not forget a statement in yesterday's report that says a lot about the failure of Canadian federalism: in Quebec, the average family income is \$4,000 below the

Canadian average. Could the minister tell the House what he intends to do to correct the injustice perpetrated by Canadian federalism on the people of Quebec?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, now we are getting to the point. Now we are not talking about political options or economics. Now we are talking about blaming Canadian federalism. What do they do in France in a recession? Who do they blame?

• (1455)

Mr. Valcourt: The English.

Mr. Mulroney: And in England who do they blame? Germany is also going through one of the worst recessions ever. My point is that international trends are having an impact on all countries, including Canada. However, I thought the hon. member would have been interested in some very important facts like the number of full-time jobs which increased by 48,000 in February.

When we talk about people on low and fixed incomes, the inflation rate is an important point. Inflation eats away at the purchasing power of people on fixed incomes and the poor. Today, the rate of inflation is down to 1.5 per cent, the lowest in 30 years.

Mortgage rates are at their lowest levels in 35 years. For instance, on a \$75,000 mortgage the average taxpayer will save \$3,300 annually. Those are important results that help the average citizen and, with all due respect for the hon. member, I think Canada can take the credit. The IMF and the OECD have just stated Canada will rank first in the world, and I think we can all be proud of that, including the hon. member.

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[English]

SOFTWOOD LUMBER INDUSTRY

Mr. Brian L. Gardiner (Prince George—Bulkley Valley): Mr. Speaker, my question is for the minister of trade.

News reports say that GATT has issued a ruling on the softwood lumber dispute between Canada and the United States that bonds imposed by Americans were contrary to GATT. If this is the case, can the minister confirm to the House how much of the \$15 million in bonds U.S. authorities owe Canada have been returned