

Here we have a proposition by the municipalities. They are all having some financial problems, but they are willing to put one third of the costs on the table. It would cost the federal government only one third. Of that it will recoup almost all of the money because of the growth it will cause in Canada and the reduction in payments to welfare and unemployment insurance recipients. Why is the minister being stubborn? Why does he not want to act as the municipalities are asking him to do right now?

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** The Leader of the Opposition not only wants to drive up the deficit of the federal government, he wants to drive up the deficits of provincial and municipal governments.

I think that is irresponsible. It is one thing to recognize the need to help the economy, but it is another thing to simply willy-nilly tax more or drive up the deficit. I ask the hon. member to consider the words of Mr. Tom McCormack in *The Toronto Star* which were published last Sunday. I know the hon. Leader of the Opposition reads *The Toronto Star* religiously. Mr. Tom McCormack said this: "This country which already enjoys the second highest standard of living in the world is on the threshold of an unprecedented expansion, but this golden age of prosperity could be jeopardized by Canadians and their pessimistic national mood".

I ask the hon. member, knowing that he recognizes there is an attitudinal problem as well as an economic problem, to join Mr. McCormack and join the throngs of people that—

**Mr. Speaker:** The hon. member for Dartmouth.

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, my question is for the Minister of Finance. Since this government's made-in-Canada recession began, fully 82,000 Canadian consumers have had to declare personal bankruptcy. One in every 322 Canadians has been completely destroyed by this government's economic policies.

How much more will it take before the minister realizes that these are just not faceless figures? There are real people behind these numbers, men and women

who have been absolutely devastated by this government's economic policies.

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, the hon. Leader of the Opposition says that the economic problems that we face in Canada are part of a world-wide difficulty. The hon. member for Dartmouth says it is a made-in-Canada recession.

I think the hon. member should be encouraged by the fact that the business bankruptcy figures have declined by 7.7 per cent. It is an encouraging sign which I believe is responsive to the policies the government has been following. I think the hon. member should find some encouragement in that.

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, my supplementary is for the same minister.

In February this year, 5,581 Canadian consumers had to declare personal bankruptcy. By anybody's measure, that is a damning indictment of this government's economic policies. How many more casualties, how many more families, men, women and children, will see their lives destroyed before this government changes its economic approach in Canada?

**Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance):** Mr. Speaker, I take no comfort in the tragedy of individual bankruptcies, and I know the hon. member does not. The fact of the matter is that there are no short, simple, easy answers.

We have been trying to get at the fundamentals by bringing down the inflationary pressures so we can lower interest rates. Bringing interest rates down and keeping inflation down are key to sustainable recovery over a long period of time. The fundamentals are in place. There are some signs of a take-up in housing and in motor vehicles sales, as well as in the merchandise trade.

The initiatives taken by the federal government, and particularly complemented by some provinces, such as Prince Edward Island and Manitoba, will help to improve the competitive position and job creating opportunities in the manufacturing and processing sectors. These are positive signals and the hon. member should applaud them.