

Supply

case, well above the average suggested by the minister's own figures. I could say the same thing with respect to interest and inflation rates.

We have a minister who has had a chance to show that his policies work. In fact, he has had a long chance. The Canadian people have been long suffering with this minister. Yet, what we have seen emerge is the first recession created in this country by the policies of the government of this country. That is not me suggesting it. That is the Conference Board of Canada, a body which is usually very supportive of the minister.

In fact, the Conference Board has made it very clear that this first made-in-Canada recession is taking place at the same time that the United States, our major trading partner, may even avoid a recession. So much for success. So much for things working out.

The minister in February of 1988 said things were going to work out well, but they did not. Can we really expect to believe him in 1990 when he says things are going to work out well in the future? Or can we expect to see what the Liberals gave us in 1981-82 coming back again?

Can we expect to see a recession take place in which the unemployment rate does not stop at the 8.4 per cent at which it presently is, but go up to the 12 per cent that the Liberals gave us in the past?

Can we expect to see interest rates go, not to 14 per cent and 15 per cent, but to the 21 per cent and 22 per cent that the Liberals gave us?

Can we expect to see a recession not just for a year, as this minister is giving us, and that costs us, not just two percentage points of decline, but a 6 per cent decline in real growth as the Liberals gave us?

Are we going to see a conflict take place between the Liberals and the Conservatives to see who can drive the country further into depression? Are we going to see an attempt at outcompeting each other in poor economic mismanagement?

I think it is possible, Mr. Speaker, that this may take place. I hope, however, that there are alternatives that this minister chooses. I hope for instance the minister puts into effect a minimum corporate tax. I hope he cuts interest rates, as clearly could take place in this country. I hope that he establishes some new institutions: a national industrial bank, for instance, to help our indus-

tries to start to modernize faster and to get better prepared for world competition. Will he see the establishment of a regional set of development banks that will provide low interest rates in poorer parts of the country? Is it possible that we will see some effective adjustment policies put into effect that really start to train our workforce for the future? That is what we have advocated. Will we see an environmental thrust that gives us, not taxes on the poor, but taxes on products that hurt the environment? Those are the directions we should take.

• (1640)

I urge the minister, first, to recognize that we are in a recession and, second, to start to do something about it instead of just trying to blame the senators or blame the Liberals. Let me tell the minister, and this is my last point, across the country there is not much enthusiasm for the Liberal Party. I can tell him that from the province of Ontario.

Let us give a future to the country that comes from new policies. Let the minister give these new policies to us or let us, as a party, give these new policies to the country.

[Translation]

The Acting Speaker (Mr. DeBlois): I thank the hon. member for Essex—Windsor for his indulgence and understanding. The hon. the Minister of Finance.

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let me just comment very briefly. The hon. member has said we have not brought in any corporate minimum tax. In fact, that is precisely what the large corporations tax is. It will raise over \$1 billion and it is currently being held up in the Senate.

We have brought in a limitation on research and development deductions so that companies such as Xerox, which he referred to as not paying tax, will pay tax. We have also phased in a reduction of capital cost allowances which will result in companies such as Domtar, which he quoted as not paying tax, paying tax as a result of these changes that will be phased in due to tax reform in 1988.

It is important for my hon. friend to realize that we have taken directly the criticism that he and others, including ourselves, have directed toward the corporate