

Oral Questions

It is interesting to note that her colleagues who will assume the premierships of the provinces of British Columbia and Saskatchewan have indicated the importance of bringing forth a balanced budget.

That is exactly what we are attempting to do and I would hope that we would have the co-operation of the hon. Leader of the New Democratic Party.

Hon. Audrey McLaughlin (Yukon): Madam Speaker, on a supplementary, the minister knows that what we need in this country is fair taxation. The middle class and individuals have paid an increasingly high amount of the tax burden. The minister is aware of that.

When the minister suggests that things are getting better, I suggest he talk to those 3 million people who cannot find a job in this country, the one in six children who live in poverty, the 100,000 homeless and the 500,000 who use food banks.

Madam Deputy Speaker: Does the hon. member have a question?

Ms. McLaughlin: My question for the minister is now that he has worked jointly with large corporate Canada, will he give a voice to those millions of Canadians who are the victims of this government's idea of competitiveness?

• (1130)

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, this is rather interesting. The hon. leader of the New Democratic Party cannot have it both ways.

When there was a labour disruption on the west coast, her party voted against the resumption of work so that farmers could sell and ship their grain to support the small business enterprise in western Canada and, indeed, throughout all of Canada.

There was a disruption in Thunder Bay. They constantly harp about the fact that there is a decline in the amount of shipments going through Thunder Bay, yet they voted against going back to work and restoring normal grain handling operations.

She cannot have it both ways. She cannot pick and choose. She is either with small business and for small business, or against it. Half the time she is for it and half the time she is against it.

Mr. Ron MacDonald (Dartmouth): Madam Speaker, my question is for the Minister of Finance.

New bankruptcy figures for September are in and they continue to climb. Forty-six thousand average, individual Canadians have had to declare bankruptcy. Over 10,000 Canadian businesses, many of them small businesses, have gone under, leaving over \$4 billion in debt.

My question to the Minister of Finance is this. If this government's economic policies are so great, why have bankruptcies increased in the last 12 months alone by over 65 per cent in this country? Why?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member knows that we have been in a recession for the better part of a year. There has been a turnaround in the second quarter and we expect that to continue, albeit at a modest rate of growth.

What is encouraging is that there is an easing in the level of business bankruptcies and that is an indication of the fact that there is strength re-emerging in the economy.

I ask the hon. member to consider the fact that the merchandise trade balance is up, housing starts are up to 181,000 on an annualized basis and unemployment rates are coming down. The indicators to which the hon. member refers, such as the bankruptcies, have a certain amount of lag time. I would ask him to take that into consideration.

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

Only a Tory minister could call a 65 per cent increase in consumer and business bankruptcies in Canada good news for those who have gone bankrupt.

According to Statistics Canada, prices charged to Canadian consumers have actually gone down over the last year and it is the government's own tax policies that are actually fueling inflation and driving prices up.

Why is it that the average, middle-class Canadians, who constitute 25 per cent of all taxpayers, end up paying over 50 per cent of all taxes? Why is it that the government continues to pursue economic policies that drive average Canadians and small businesses over the brink of bankruptcy? Why does it refuse to bring in a fair tax policy and why do they not do it now?