

Oral Questions

[Translation]

EMPLOYMENT

Mr. Alfonso Gagliano (Saint-Léonard): Mr. Speaker, my question is directed to the Minister of Finance. Conservative policies have led to 150 layoffs at Black & Decker, 150 at Marconi and 2,000 at CN, which makes a total of more than 7,000 layoffs in Montreal in a matter of months. Today in Montreal, one person out of four is living below the poverty line. Montreal now has the highest poverty rate in this country. There are more than 222,000 unemployed workers in Montreal. My question is directed to the Minister of Finance: When does he intend to table in this House, before Canadians, an economic policy that will create jobs for the people of Montreal?

[English]

Hon. Tom Hockin (Minister of State (Small Businesses and Tourism)): Mr. Speaker, the hon. member speaks of the lay-offs in his region of Quebec. The government is sympathetic and understands the enormity of change in certain ridings in the industrial structure in Quebec. However, I remind the hon. member that we have 1,280,000 more people at work today than in 1984. I remind him as well that the manufacturing base of Canada, according to the Royal Bank in its report of December 19, 1990, is almost 10 per cent above what it was at the end of 1982.

The strength of the Canadian economy is still there, but if it will be matched by further declining interest rates and further declining inflation, I am sure that we will see a real amelioration of the economy in his region as well as across Canada.

[Translation]

Mr. Alfonso Gagliano (Saint-Léonard): My supplementary is directed to the Minister of Finance. So many people are unemployed in Montreal today because of his high interest rate policy. When will the Minister of Finance realize, once and for all, that his economic policies are disastrous for Canada and especially for Quebec? And when will he announce an economic recovery program for Montreal? What about the Picard report, which has been on the shelf for two years?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the budget is designed to generate economic renewal in the country, not just in the city of Montreal or the province of Quebec, but in all parts of the country by getting interest rates down.

My hon. friend is going back to his roots when he says the only way we can get the economy going again is to sprinkle money around in different parts of the country. That keeps interest rates up and that is what this budget is designed not to do. We want to get interest rates down because that will be felt by every business person or every person in Montreal who wants to buy a new home or a new car or whatever.

The old way, certain people have the advantage of it. This way, our way, everybody gets the advantage of lower interest rates.

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BANK OF CANADA

Mr. Steven W. Langdon (Essex—Windsor): Mr. Speaker, my question is for the Minister of Finance who, last week, told Toronto business people that high wage increases were hurting Canada. Yet, the Bank of Canada has now reported 9 per cent salary increases and John Crow himself has seen his salary range jump by \$103,000 since 1986.

I want to ask this government how it can keep any credibility when it sets these big income gains at the top and then freezes the incomes of low-income secretaries throughout this country?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think my hon. friend is very well aware that last year the senior members of the Public Service, deputy ministers and senior executives in Crown corporations, had an increase of 4.2 per cent. That compares with an average for federal public servants of, I believe 5 per cent, which was the average, and a good deal higher for those in the private sector.

We have demonstrated a good deal of restraint in government. We have also committed that with the wage policy that will proceed from here. Senior members of the Public Service will get no more than the average of the public sector settlements by the federal Public Service.