

Oral Questions

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, I do not think the government will agree with that because it is not the case.

It is a fact that the number of bankruptcies is at a disturbing level. We realize that. I would say that private bankruptcy is higher but business bankruptcy is only marginally higher.

However, these numbers stem from high rates of interest and we have been acting precisely on that. Since September interest rates have gone down by 100 basis points and have created a condition where we are hopeful that the recovery will be there. It is still fragile, but if we did not have so much gloom and doom from the Liberals maybe it would be more helpful.

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

A Gallup poll to be released tomorrow says that 90 per cent of Canadians believe that the recession is not over. Eighty-four per cent say that the government's economic policies are inappropriate and unacceptable.

I want to ask the minister: If the recession is over, as he claims, why is it that nine out of ten Canadians do not know about it?

Hon. Gilles Loiselle (President of the Treasury Board and Minister of State (Finance)): Mr. Speaker, since the poll is secret I will have to wait until tomorrow to look at it.

I do not disagree that the rate of bankruptcy is very disturbing, but that is one more reason for us to have the right policies. If the hon. member thinks that by doing it the Liberal way—borrow money that we do not have, raise taxes, scoop the capital so that businesses cannot organize themselves and create employment—is the answer, I think he is wrong.

We remember where we were during the Liberal recession with the rate of bankruptcies being double the number it is today.

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AEROSPACE INDUSTRY

Mr. Jim Peterson (Willowdale): Mr. Speaker, my question is for the Prime Minister.

Last week when told in this House that the deal between McDonnell Douglas and Taiwan would cost Canada 3,500 aerospace jobs, the Minister for Science said that this was mere "speculation".

At the same time the president of McDonnell Douglas said: "As existing orders run out, McDonnell Douglas will be out of business".

Why does this government not believe the president of McDonnell Douglas who said these jobs would be lost, or is it just waiting for the workers to get their walking papers before it will act?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, we will do everything we can to support McDonnell Douglas, particularly with respect to the MD-12.

In terms of the agreement, there has been no firm agreement signed between McDonnell Douglas and Taiwan. There has been no government to government agreement and the member knows that has to happen before any firm commitment can be made.

Mr. Jim Peterson (Willowdale): Mr. Speaker, that is absolute nonsense because the president of McDonnell Douglas Canada has said those jobs are on the line. This is just one more example of this government's economic incompetence and mismanagement.

Let me give another example. Last week the Minister for Science told this House that the government knew nothing about the McDonnell Douglas—Taiwan deal.

• (1450)

This deal was signed last July. Why did the government not know about it? How can this government manage our economy when it does not even know what is happening in one of our major aerospace manufacturers?

Hon. William C. Winegard (Minister for Science): Mr. Speaker, what was signed previously was a letter of intent to try to reach an agreement. That agreement has not yet been reached and neither the Government of Taiwan nor the Government of the United States has an agreement that it can act upon.