

Oral Questions

Hon. Herb Gray (Windsor West): Mr. Speaker, millions of Canadians and their families who are out of work would like this government to realize that it is in 1992 not 1978.

My supplementary question is for the Prime Minister. This House has barely sat for the past five months even though the economy continues in crisis. When this House last sat briefly I asked the Minister of Finance why, when it came to the economy and the Constitution, his government could not both walk and chew gum at the same time.

We are now back, the House is in session and listening to the Prime Minister and the Minister of Finance, it is clear that when it comes to walking and chewing gum at the same time with regard to the economy, this government cannot even do those things separately.

My question to the Prime Minister is this: Why else are we here now if not to deal with this crisis in the economy? The Liberals are ready to deal with these problems, but they involve measures that only a government can take.

I ask the Prime Minister: Why does he not answer the Leader of the Opposition's question and say when he is going to bring in a new budget to deal with jobs and the economy? What is he stalling for?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I am not stalling. I certainly take very seriously any reference to unemployment which in Canada is too high and has been too high now for some 10 or 12 years. I think my hon. friend would agree with that, even though we managed to get it down to 7.3 per cent in 1988-89.

My hon. friend objected to a comment that the Leader of the Opposition made in 1978 when he was Minister of Finance: I mentioned it simply because I think it is relevant. The Leader of the Opposition said then: "I don't believe I can be a Santa Claus. I am not a maker of illusions. There is not some magic solution to get rid of unemployment". The Leader of the Opposition was accurate. There is no magic solution to get rid of unemployment. If you get the fundamentals right you have a much better chance of doing that and this is exactly what we are in the process of doing.

My hon. friend concludes his remarks by asking about walking and chewing gum. I urge him: Herb, just take them one at a time and you will learn.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, there is no question that this country is seeing one of the greatest job crises that we have seen in the history of Canada. In the first nine months of this year, 750,000 Canadians went from unemployment insurance to welfare, joining almost three million Canadians who are on either unemployment or welfare.

I want to say to the Prime Minister that the responses from his government seem to be like retired generals fighting the last war: more of the same, stay the course.

Clearly the economic policies of this government have failed and the victims of these failed economic policies continue to grow and suffer every day. What new policies will the Prime Minister bring in now to turn the economy around and get Canadians back working?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I share the hon. member's concern. We recognize that there are some serious difficulties and there are people who are hurting out there. However, I ask her to consider the fact that employment has risen in five of the last six months. Employment is up by 64,000 in the last six months. Full-time employment increased by 83,000 in the months of September and October.

• (1430)

The unemployment rate has come down from 11.6 to 11.3 per cent, so unemployment is going down, not going up.

We have other positive indicators. Housing starts have had a second consecutive quarter increase. Housing resales are up by 38 per cent. Retail trade has had a third consecutive monthly increase. Motor vehicle sales are up by 4.5 per cent. Export trade—

An hon. member: Go for a walk in the real world.

Mr. Mazankowski: The member's party continues to denigrate the free trade agreement with the United States. Trade with the United States has increased by 16 per cent since the free trade agreement was signed. Merchandise export trade has increased by 9.5 per cent in the first six months of this year. That is where the jobs are created. That is from where the long-term prosperity