

Oral Questions

[*Translation*]

My question to the Minister of Finance is this: Could he tell the House what steps he intends to take in view of the personal tragedies facing Canadians and the economic hardship resulting from his own policies? What is the government planning to do?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I hesitate to say this to the junior finance critic, but he has distorted what the Prime Minister has said and he knows that. As far as the essence of his question and what the groups that I met with this morning have said to me, they are anxious to see a significant rise from the current level of programs that help those in greatest need.

I indicated to them that on the one hand we have those organizations saying that they would like to see a greater increase in safety net spending and on the other hand we have a deeply held point of view from other people who have looked at the arithmetic of deficits and deficit financing and have said that we must continue to deal in getting the deficit down.

I would like very much to increase the safety net spending. I would like to be able to help all the people as much as they feel that we should be helping all those people who are losing their jobs. But we simply cannot do so and still maintain our commitment to get the deficit down because we know that getting the deficit down will help us get interest rates down. Getting interest rates down will help improve the performance of the economy and help people in all parts of the country with a healthier economic environment.

That is the difficulty. That is the balance that we have to find as governments. We are working hard in the consultations that we are having to find that correct balance and that is the purpose of the consultations I had this morning with the social policy groups.

Mr. John Manley (Ottawa South): Mr. Speaker, it is not a question of who is distorting what. It is a question of the people of Canada asking the Minister of Finance to be accountable for his policies and to state how he is going to get us out of the mess he has got us in.

He likes to quote the Canadian Manufacturers' Association. He will know that they have come up with a competitiveness index that showed that Canada's competitive relationship with the other G-7 countries has fallen drastically since 1984. What policies does the minister have to improve our competitiveness with respect to those countries? What is he going to do about the widening productivity gap? What is he going to do about the permanent job loss that has occurred as a result of his policies?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I will be accountable for my policies, the policies I am responsible for in this government any time, any place in Canada. I have done that and I will continue to do that on an ongoing basis.

The hon. member refers to a productivity index. There are other productivity indices as well. The World Economic Forum, which measures the competitiveness of some hundred countries, put us as a country I think it was in the eleventh place in 1983 or 1984. The latest number they have had I believe was in fifth place. Looking at the broadest possible range of measures of competitiveness, broader than that of the manufacturers' association, we have improved our competitive position during that time.

He talks about what we are doing to improve our productivity. That is the essence of the government policy we have been following. The deregulation of the energy sector, the transportation section, the financial services sector, privatization, tax reform for both income tax and sales tax, and the hon. member knows that one of the key elements of the GST reform is to improve the productivity of our manufacturing resource sectors so that they can compete more effectively in international markets. He should come straight with the goods.

Mr. Bob Speller (Haldimand—Norfolk): Mr. Speaker, my question is directed to the Minister of Finance. This morning the minister met with the social policy reform group concerning his upcoming budget.

Lise Corbeil Vincent of the National Anti-Poverty Organization explained to the minister, and I quote: "Poor Canadians will be hit hardest by the recession, rising unemployment and inflation". They will have no choice but to rely on the different programs that form Canada's social safety net. Will the minister commit himself in the House today to stop his relentless assault on Canada's social programs?