

*Oral Questions*

what we are doing to move ourselves through this slow-down in the economy, I have answered that question as well.

As we have seen the economy slowing down, as we have seen the inflationary pressures subside, we are getting interest rates down. As we get those interest rates down, the positive effect of that will be felt in every corner of the country. That is precisely the response that we are following as a government.

**Hon. Herb Gray (Leader of the Opposition):** Mr. Speaker, this morning, when the minister was asked by the press whether there was a recession, he said "the whole discussion is silly".

Canadians will want to know why he is so unwilling to say the *r* word. They are not going to wash out his mouth with soap if he states the fact and says the word "recession". Why won't he say it? Why won't he admit it?

I repeat my question: Why won't the Minister of Finance admit, himself, that there is now a recession? Yes or no.

[*Translation*]

Why does the minister refuse to admit that his policies have created a recession?

[*English*]

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the hon. Leader of the Opposition is trying in a very awkward fashion to dance on the head of a pin.

I am trying to deal with the realities of the economic environment that we find ourselves in.

• (1420)

The economic realities are very clear. I have been talking about them long before the Leader of the Opposition talked about them. I said in my budget that 1990 was going to be a difficult year.

We must get ourselves through this year by getting a clear decline in the inflationary pressures so that we can see a reduction in interest rates. As we see that reduction in interest rates, we will be able to put ourselves on to a solid path of growth in the future. That is the policy that we have been following. It is a consistent policy and the policy is going to work.

[*Translation*]

**Mr. Douglas Young (Acadie—Bathurst):** Mr. Speaker, Canadians have not created this recession. It is the policies of the Minister of Finance and his Tory government that have thrown Canada into a recession which everyone in this country, except the Minister of Finance, seems to recognize. Now, Mr. Speaker, my question is this: Is the Minister of Finance finally prepared to stand up as a man and honestly tell Canadians that we are indeed faced with a recession? That is all we want from him. Yes or no?

[*English*]

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, these are esoteric questions that the hon. member is talking about. Perhaps he would deal with the issues.

Does the senior finance critic for the Liberal Party have any suggestions as to how we can get through this period? Is he going to respond in any way to what the Business Council on National Issues said today on how we get the deficit down lower?

Are these questions that the Liberal Party are prepared to address, or are they simply going to ask questions which have no bearing on the actual facts that we have to deal with?

Canadians want to see political parties and politicians dealing with the issues in an honest way on how we are going to find our way through the difficult period that I have talked about for all of this year? That is the question that the hon. member should be responding to.

**Mr. Douglas Young (Acadie—Bathurst):** Mr. Speaker, the Minister of Finance has been at this for five years. He refused to listen to the Canadian premiers. He refuses to listen to Canadian business. He refuses to listen to Canadians who have told him over and over again that his high interest rate policy is driving the country into a recession.

I am sick and tired of listening to the Minister of Finance and his weak—

**Some hon. members:** Oh, oh.

**Some hon. members:** Hear, hear.

**Mr. Speaker:** I take it that hon. members have heard the question.

**Right Hon. Brian Mulroney (Prime Minister):** Mr. Speaker, I think there is one thing that is fairly clear and