

Oral Questions

An Hon. Member: Answer the question.

Mr. Duhamel: What about yours?

Mr. Wilson (Etobicoke Centre): They should think back to that time, Mr. Speaker. I know that it bothers Hon. Members opposite.

Let me remind them of the child care announcement. What did we do? We started off at \$5 billion—

Some Hon. Members: Oh, oh!

Mr. Duhamel: What about your commitment?

Mr. Wilson (Etobicoke Centre): Before the sun had set on that day, we were up to \$7 billion. A couple of days later, it was up to \$9 billion. Members opposite seem to have short memories.

Let me also remind Members opposite that any time that I was asked a question on the deficit—and I got a number of questions on the deficit—

Mr. Marchi: Your nose grew!

Mr. Wilson (Etobicoke Centre): Starting back in 1984 with the economic statement on November 8, 1984, going right through every Budget, I talked about the importance of debt, the importance of addressing the deficit, of getting the annual deficit down each year. I said that that commitment continues. That commitment will continue in the next mandate—

Mr. Marchi: There goes the nose again!

Mr. Wilson (Etobicoke Centre): —because we in this Party understand its importance and are committed to dealing with it.

• (1420)

Mr. Turner (Vancouver Quadra): The Minister ought to recognize that the Canadian people are going to hold him accountable for the finances of this country. During the election campaign on several occasions, he called me a liar. Before he stands up tomorrow afternoon in this House, let him look in the mirror.

[*Translation*]

INTEREST RATE INCREASES—ELECTION CAMPAIGN
PROMISES—GOVERNMENT'S POSITION

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, the Minister of Finance has the nerve to tell Canadians that he misled them during the election because he did not know that interest rates would go up. He made so many erroneous statements last year that he forgot a few. Last year, he told Canadians that interest rates would be around 7.8 per cent when he brought down his Budget in 1989. Well, it is 1989, and interest rates are as as 12.6 per cent.

The Minister did not tell us the truth during the election campaign. Could he explain to the House today why he misled us about interest rate levels during the election campaign?

[*English*]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, let us not go back and relive the election campaign.

Some Hon. Members: Oh, oh!

Mr. Wilson (Etobicoke Centre): I will say to the Hon. Member, the Leader of the Opposition, that character assassination did not work in the election campaign, and it is not going to work here.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): The Leader of the Opposition talks about projections of interest rates. He knows the difficulty of projecting interest rates. I think that before the Leader of the Opposition laughs too hard and too long, he should go back to some of the things he said when he was Minister of Finance because he was far, far more off-track with his projections than I ever was.

But let us go back to the fall. We had a mixed period in the economy. There were some signs of a strong economy, but some signs of a weak economy. We had a period of four or five months when there was no employment growth. Housing starts were on their way down. We had the uncertainty about what was going to happen in the United States. The election was just under way in the United States. No one understood what was going to happen then. Those are the uncertainties. Those are the unknowns that people have to encounter in making these projections, and the Hon. Member understands that.

Mr. Simmonds: Your nose is getting longer and longer.

Mr. Wilson (Etobicoke Centre): Since we started this year we have had quite an increase in the interest rates, and that is what has led to the problems that we are facing today, problems that we are determined to face and which the Party on the other side totally ignored, totally swept under the carpet and never faced up to.

ELECTION CAMPAIGN STATEMENTS

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, all that is from a Minister of Finance who in four short years has doubled the public debt of this country from \$170 million to \$330 billion. I ask the Minister, why is it that he having had possession of the public books of this country, having known what the public debt was last year in the fall during the election