

Oral Questions

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we on this side of the House are very deeply concerned about the level of unemployment. Because of the industrial restructuring program that we are going through, the prospects are not as buoyant as we would like, but we are not alone in this. Other industrialized nations in the world are going through the same difficulties as we are. The recession and the restructuring are very much a part of the transition that economies around the world are going through.

I can assure the hon. member that we will be doing everything we possibly can within our limitations to provide a ray of hope and a signal of confidence to the Canadian economy. As I have gone through my pre-budget consultation process, I have heard many good ideas. I am still receiving them. If the hon. leader of the NDP has any constructive suggestions I can assure her that I will take them seriously.

[*Translation*]

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my supplementary is directed to the Minister of Finance. There is one thing the workers of this country understand: unemployment. For instance, on Friday, 700 employees at the railroad workshops in Montreal were paying taxes and had jobs. Today, Monday, they have lost their jobs and will have to apply for unemployment insurance. What we have here is 700 workers or more who are jobless.

Is this the way to create the prosperity the government is always talking about? To have a healthy economy, this country needs a sound transportation infrastructure. Why hasn't the government invested in the transportation industry? Why hasn't the government invested in infrastructures? Why hasn't the Canadian government invested in Canada?

[*English*]

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, we believe that the most important thing that governments can do is to create a climate of confidence and a climate wherein productive investment can in fact take place.

One of the issues, that of high interest rates, was certainly a mitigating factor against that kind of investment activity. We have been successful in bringing interest rates down. We have been successful in bringing inflation and inflationary pressures down.

What we have to do now is put in place the kind of economic environment that will encourage and foster investment because through investment we can create jobs. That is the government's main preoccupation and it will provide long-term, durable jobs.

I might remind the hon. member that Canada is still a good place to invest. Witness the investment of \$170 million or \$175 million that is coming into the province of Quebec that was announced yesterday by the Prime Minister of Quebec.

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, the minister is fond of saying that they do not have alternatives except to create more unemployment. We have to create some hope in this country and hope for young people.

I want to suggest to the minister that there are alternatives and Canadians are crying out for this government to listen. Withdraw the GST and bring in a fair tax system. That is one alternative. Abrogate the trade deal. That is another alternative. Lower the dollar. That is another alternative. Establish a Canadian investment fund where pension funds can be used to invest in Canada. That is another alternative. Bring in an infrastructure program for Canada. That is another alternative.

Will the Prime Minister, as the leader of this country, give Canadians hope, try some new ideas, listen to the alternatives that Canadians and this party are putting forward?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, my hon. friend asks if I will listen to new ideas. Indeed I will. She indicates that one element of her platform is to withdraw the GST. Perhaps she could tell us what she would replace it with.

An hon. member: Read your mail.

Mr. Mulroney: My hon. friend from the NDP says: "Read your mail". I will tell you what I will do. I will read my hon. friend a comment from the premier of British Columbia. When speaking in New York, Mr. Harcourt promised his government would eliminate its growing deficit before its first term expired and he stressed the need for government spending cuts and wage restraints. "We are determined to lower our deficit. You cannot spend your way out of a recession", Premier Harcourt said.