

Your voice

Thomas Legler's report in your July-September issue ("From Mulroney to Chrétien: more of the same?") contains several errors about the Progressive Conservative record.

Did "conditions for ordinary Canadians decline dramatically," as Legler claims? Hardly. The number of people with jobs climbed by almost 1.5 million, a gain of some 13 per cent. This was one of the strongest rates of job creation in the OECD in this period. After taxes and after inflation, average per capita personal disposable income climbed by almost \$1,000 per person between 1984 and 1993. The poverty rate fell from 18.7 per cent to 16.8 per cent. The average hourly wage rose slightly in real terms. Per capita national wealth grew by 11 per cent in real terms.

Far from being "excessive," interest rates fell sharply, reaching their lowest levels in a quarter century while my party was in office.

For example, the prime business lending rate fell from 13 per cent in September 1984 to 5.75 per cent in October 1993. There were similar declines for mortgage and other consumer rates. Low mortgage rates helped almost one million more families become homeowners. This was a gain of about 17 per cent in the number of owner-occupied dwellings.

Real growth of the economy totalled 22 per cent during the PC mandate. Over the long term, the prospects for growth and job creation are better when business equips itself for the future. Annual levels of investment in new machinery and equipment doubled in real terms. These are not signs of "economic deterioration."

No mention is made of key measures taken to improve conditions and opportunities for less-

advantaged Canadians. For example, the new Child Tax Benefit put more funds into the hands of those families most in need. And job training, not passive income support, became a key focus of the Unemployment Insurance program.

While the economy did have problems between 1990 and 1992, it rebounded in 1993, a year when Canada had the second strongest growth rate of any G-7 nation. It is continuing to have a strong performance in 1994, largely because the policies the PC government put in place are working.

If the Liberals are continuing our policies, then perhaps they have come to recognize a simple, basic reality. Government cannot, and does not, create lasting jobs and wealth. Prosperity has to be earned in the marketplace, by the private sector. The best way for the state to help create jobs and prosperity is to create the conditions for the private sector to thrive.

Jean J. Charest, P.C., M.P.
**Leader of the Progressive Conservative
 Party of Canada.**



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L' hon. JEAN J. CHAREST, C.P.
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**Chef du Parti progressiste-conservateur
 Leader of the Progressive Conservative Party of Canada**

I was very flattered to learn that the Honorable Jean Charest, leader of the Progressive Conservative Party of Canada, had taken the time to personally respond to the article that I had written. Mr. Charest is entirely correct in insisting that the readership of *Voices of Mexico* get both sides of the story. And credit should be given where it is due; the Child Tax Benefit introduced by the Conservatives, for instance, was a commendable measure.

On the other hand, Mr. Charest's assertion that my piece "contains several errors about the Progressive Conservative record" is incorrect. Where we differ is in our contending interpretations of events since 1984, when his government took office. The reader can decide for himself which interpretation is more accurate. And the reader should not think that I speak only for myself; while Mr. Charest paints a rosy picture of "conditions for ordinary Canadians" during his government's term in office, Canada's other major political parties, the numerous member organizations of the Action Canada Network, and the country's labor unions would offer equally critical interpretations of his government's record.

Antipoverty groups across the country, for example, would just love to take issue with the statistics he offers.

Mr. Charest does not mention that income inequality rose during his government's tenure or that despite his government's "successful" job creation efforts Canada's unemployment rate rose to over eleven percent. Unemployment statistics do not even cover the host of Canadians who simply gave up looking for work after lengthy, fruitless searches. Free trade, high interest rates, and an overvalued Canadian dollar helped shave some 400-500,000 permanent manufacturing jobs from the workforce during the period 1989-1993. As for my generation, the "Generation X-ers" (twenty-somethings), when they refer to "double-digit" unemployment, they mean twenty percent or more.

The fact remains, if ordinary Canadians benefitted so strongly from his government's performance, then why did they almost vote his party out of existence in last year's federal elections?

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