

Oral Questions

BIDDING ON CONTRACT

Hon. Lloyd Axworthy (Winnipeg-Fort Garry): Mr. Speaker, in response to the Hon. Minister I would say that I hope that he will take advantage of the next few days to acquire the same healthy point of view that I have been able to acquire in the last week or so.

Let me return to the point, because it is a serious matter. I think it reflects what is happening in the country as the Government moves toward its so-called economic stimulus through defence expenditure. Under this contract there is still a short list of some two to four bidders. Because this points toward a very clear conflict of interest and puts into jeopardy the whole process by which bidding on this contract would be decided, I ask the Deputy Prime Minister if the Government now intends to put on hold or freeze that contract until this can be examined by a parliamentary committee to determine the full facts of the case and the involvement of Litton Industries in this particular matter, a matter which creates a very serious conflict of interest.

Hon. Erik Nielsen (Deputy Prime Minister and Minister of National Defence): Mr. Speaker, the Hon. Member is all wet. There has been no decision made with respect to the selection of the suppliers of the low-level air defence system. That decision will hopefully be made soon. Whenever it is made, it will be announced in the House of Commons.

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ENERGY

WESTERN ACCORD—ECONOMIC COUNCIL'S JOB-CREATION ESTIMATE

Hon. Edward Broadbent (Oshawa): Mr. Speaker, my question is directed to the Minister of Finance. In the last few days the Minister of Energy has been busy trying to persuade the people of Canada that the energy Accord will create some 100,000 jobs.

Mr. Turner (Vancouver Quadra): Three hundred thousand.

Mr. Broadbent: At one point it was 100,000, and at another point it was 300,000. She is rather casual with her figures. The point is that the Minister cited the Economic Council of Canada as the source for the statement that 100,000 new jobs will be created. The director of that institution has taken the unusual step today of issuing a clarification of the Council's position. He points out that their job-creation estimate was based on deregulation of oil and gas. Since the Government has done nothing about deregulating gas, will the Minister of Finance rise and admit that the figure of 100,000 new jobs the Minister provided the House actually misled the House, based on the source of her own information?

Mr. Hnatyshyn: John Rodriguez for Leader.

Some Hon. Members: Oh, oh!

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, the Minister has stated, as is contained within the Accord, that the intention of the federal Government, working with the consuming and producing provinces, is to work very quickly toward the deregulation of natural gas. I do not know why the Hon. Member would not include that in the estimate made by the Minister. If the Hon. Leader of the New Democratic Party will read the same press release to which he has just referred, he will see that the work done by the Economic Council only refers to deregulating oil and natural gas prices without referring to other changes in taxation that have been called for by the energy agreement, changes in taxation which the Council goes on to say will clearly have a stimulative effect. If I can translate that for the Hon. Member, that means creating jobs. That is where we expect to see 100,000 to 300,000 jobs created—

Mr. Speaker: Order.

FORECAST INQUIRY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Director of the Economic Council of Canada covered himself nicely by including that hypothetical tax change that the Government might make. The entire country knows, but the Government will not admit, that we are going to have major tax increases after the Ontario election. That is what the Minister of Finance has not denied.

● (1430)

Since one of Canada's distinguished economists from the West Coast, Mr. John Helliwell, has estimated that the removal of the PGRT would produce a mere 15,000 jobs, on what does the Government actually base its job estimates? One time we hear the 100,000 figure, and another time we hear the 300,000 figure. Will the Minister of Finance, whose Department ought to have done an assessment, produce figures, show us on what those figures are based and, in short, come clean with the people of Canada?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, if the Hon. Member wants an objective source of information I can only refer him to the Economic Council of Canada which has established a base of 100,000 jobs. I would remind him that taxes were cut as a result of the agreement, the PGRT is going down and other taxes are being removed. The whole mess of regulatory morass which was put in place by the previous Government has been removed to give the industry the incentives to create jobs, reduce the level of unemployment in Alberta which is currently about 15 per cent, and spread the wealth right across Canada.

Some Hon. Members: Hear, hear!

STUDY OF JOB CREATION

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Minister has still not answered the question. He knows that the