

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I think the same Cassandra-like tones came from that side of the House last November. They said that 50,000 to 100,000 jobs would be lost. Since then, more than 200,000 jobs have been created.

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): I would suggest that the Hon. Member look at what is happening in the economy. Let us look at what has happened. In the first quarter we had growth which was approximately 50 per cent higher than the normal economic expectations. Yesterday we had the investment intentions which have increased from an expectation of 6 per cent last October to 13 per cent. That equals jobs. Those jobs will support the social programs of the country. I am sure the Hon. Member will understand that that is the positive direction to be taking.

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[Translation]

OLD AGE SECURITY

PENSIONS—GOVERNMENT POSITION

Mr. Raymond Garneau (Laval-des-Rapides): Mr. Speaker, still concerning the tax policy of the Minister of Finance, I would like to get back to the capital gains tax exemption. The *Wall Street Journal* pointed out in the same article, and I quote:

[English]

“Exempting capital gains will indeed be helpful to entrepreneurship but to U.S. not to Canadian entrepreneurship.”

[Translation]

Instead of defending the indefensible, would the Minister of Finance not agree that he should immediately close this tax loophole he opened in his Budget and use the money to fully re-index Old Age Security pensions?

[English]

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I do not know to whom the Hon. Member has been talking. I know the man who wrote that article. I have met him and I have talked to him on a number of occasions. Over the course of the time which I have known him, I have read numerous articles in which he stated that the United States was on the wrong track and that it should not have been going in the direction which it was. What has happened? Last year was a year of record growth in the United States. The year before that was a year of record growth in the United States. Surely the Hon. Member knows that for every one-handed economist there is another one-handed economist, and that there are all sorts of two-handed economists saying different things. If the Hon. Member believed every economist and followed what every economist said should be done with the economy, he would be very, very mixed up, even more so than he is today.

Some Hon. Members: Hear, hear!

Petitions

PENSIONS

IMPACT OF BUDGET—PRIME MINISTER'S STATEMENT

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my question is directed to the Prime Minister. Earlier in Question Period he said that the Liberal six and five program was even more draconian than this Government's program. Why would the Prime Minister want to propose a program of deindexation that he, by his own admission, calls draconian?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think there would be general agreement at any time in which there is a lessening or even a maintaining, without increase, of contributions to the elderly, that that represents an important step. It is one which must be thought about very carefully. It is because we would only do it with such reluctance that I used that term. It is because of our concern and our commitment to the elderly in the country that we have acted with such prudence in accordance with the compassion and the traditions of the country.

● (1500)

GOVERNMENT MONITORING

Mr. Nelson A. Riis (Kamloops-Shuswap): Mr. Speaker, my supplementary question is directed to the Prime Minister as well. He has been indicating that the Government is carefully monitoring the situation. Precisely what is it that the Government is monitoring? Is it public opinion which the Government is monitoring? Is it the number of senior citizens who will be living below the poverty line? Could the Prime Minister be precise so that we can understand what it is the Government is monitoring as it evaluates this deindexation proposal?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we said in the Budget precisely what we intended to do and how we intended to do it. Obviously, if my hon. friend will understand, we are going to be looking very carefully at all of the leading economic indicators, following them very carefully to see the impact which this might or might not have by April of 1986. And at the earliest possible moment, as I have indicated many times, we will, hopefully, be able to take steps which will be of further benefit to the elderly in Canada.

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CLERK OF PETITIONS' REPORTS

Mr. Speaker: I have the honour to inform the House that the petitions, with the exception of one, presented by Hon. Members on Tuesday, June 11, 1985, meet the requirements of the Standing Orders as to form.

The petition presented by the Hon. Member for Scarborough Centre (Mrs. Browes) does not meet the requirements of the Standing Orders as to form.

May I add one comment? In relation to the petition presented by the Hon. Member for Ottawa-Carleton (Mr. Turner) on Tuesday, June 11, 1985, I wish to draw to the attention of the