

## Oral Questions

the official opposition has been requesting for over a year and, in a major editorial, the *Globe and Mail* is asking for today?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, yesterday the Prime Minister himself made it clear that the allegations reported in the *Financial Post* were absolutely false, and there is nothing more to be said.

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, it could not have been that clear since it did not convince the *Globe and Mail*, which today responded with an editorial on the subject.

I want to ask the Deputy Prime Minister whether she agrees that only a public inquiry, a genuine public inquiry, would make it possible to clear up any doubts about the circumstances around the contract to privatize Pearson and also about the decision of the government and of investigator Robert Nixon to keep under wraps, in other words, hide, an important report drafted in November 1993 by senior officials of the Department of Transport?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, yesterday, the Minister of Transport gave the facts on all the events that led up to this report. And if the Leader of the Opposition is so interested in the opinion of the *Globe and Mail*, why does he not call the referendum, as requested by this newspaper?

**Hon. Lucien Bouchard (Leader of the Opposition, BQ):** Mr. Speaker, we are not playing games here. The government's ethics are involved, and this is a very fundamental issue.

Some hon. members: Hear, hear.

**Mr. Bouchard:** Any government should be ashamed of using the Quebec referendum as a diversion, to prevent the truth from coming out.

My question is straightforward, a question all Canadians and Quebecers are asking: Why does the Prime Minister stubbornly refuse to establish a commission of inquiry, if he or his government have nothing to hide?

**Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.):** Mr. Speaker, I think the Leader of the Opposition has always been known as a man of honour. If he has any accusations to make against the Prime Minister, let him make them here in the House. And if he does not, it is dangerous to claim that certain facts were hidden, and coming from him, it is absolutely and totally irresponsible.

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## MONETARY POLICY

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, allow me to start with a quote: "Economic policies

must not merely attack an individual problem in isolation from its costs in other areas. The Conservatives' single-minded fight against inflation resulted in a deep recession, three years without growth, declining incomes and skyrocketing unemployment".

• (1420)

My question is for the Minister of Finance. Are we to understand from this excerpt found in the Liberals' red book that the Minister of Finance does not agree with the statement made yesterday by the Bank of Canada governor, to the effect that fighting inflation through interest rate increases is the one and only priority of the Canadian monetary policy?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, there is no doubt that, when it formed the official opposition, the Liberal Party criticized the policy of the Bank of Canada governor of the day.

The country was going through a period of high unemployment and economic decline, so we certainly had to comment on the monetary policy of the time. But Canada is now first among the G-7 countries in terms of growth, and it has just created 433,000 new jobs. Clearly, the situation is now drastically different.

I do support the statement made yesterday by the governor of the Bank of Canada.

**Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ):** Mr. Speaker, the Minister of Finance is providing the very same answer as his Conservative predecessors, and he is implementing exactly the same monetary policy. The minister kept tearing up his shirts when the Conservatives applied the medicine which he is now pouring down Canadians' throats.

Does the minister realize that, by supporting a policy which is only geared to fight inflation, he is deliberately hurting job creation, and, consequently, he accepts unemployment rates of 9.5 per cent in Canada and close to 12 per cent in Quebec, where 417,000 people are without work?

**Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.):** Mr. Speaker, again, many new jobs were created in Quebec, during the months of January and February. In fact, even the Premier of that province confirmed that job creation in Quebec was very strong, thus contradicting the comment which the hon. member just made.

However, the issue is whether or not the Bloc Québécois accepts the fact that we must set objectives in the fight against inflation. Our objectives are in the one to three per cent range. If the hon. member is not happy with them, then let him tell us which inflation rate he is prepared to accept.