

Oral Questions

November 8 statement were going to cost the country between 50,000 and 100,000 jobs and we would see just a wipe-out of the private sector because of those dastardly changes brought in on November 8. But what have we seen since then?

Mr. Epp (Provencher): Tell him.

Mr. Wilson (Etobicoke Centre): A continuation—

Mr. Garneau: Wait another 12 months.

Mr. Wilson (Etobicoke Centre): The Member says wait. We wait, we wait, and we wait, and we will probably see hundreds of thousands more jobs created—

Some Hon. Members: Hear, hear!

Mr. Wilson (Etobicoke Centre): —because of the positive response by the private sector to the Budget.

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[Translation]

SOCIAL SECURITY**FULL INDEXATION OF PENSIONS—ELECTION CAMPAIGN PROMISES**

Mr. Mike Cassidy (Ottawa Centre): Mr. Speaker, my question is directed to the Prime Minister. Is he aware of the fact that 34 groups representing pensioners and elderly people throughout Canada have come out against his Government's deindexation of old age security pensions? They include the Conservative Government of Ontario, the Conservative Party and the New Democrats of the Manitoba Legislative Assembly and, in Quebec, the Fédération québécoise des clubs de l'Âge d'or, the Forum des citoyens âgés, the Association féminine d'éducation et d'action sociale and the Association pour la défense des droits des retraités et des préretraités du Québec, and not a single organization is in favour of it.

In view of such widespread and negative reaction, Mr. Speaker, why did the Prime Minister waltz on his election promise to maintain full old age pension indexation to offset inflation?

[English]

Hon. Jake Epp (Minister of National Health and Welfare): Mr. Speaker, I and others in the House have said, time and time again, that the first obligation of the Government is to create a climate whereby jobs and wealth would be created. As the Minister of Finance and the Prime Minister have said today, and as objective Canadians are saying, at least the right course has been struck and it is starting to have positive results.

We are also saying that, as the wealth is created, not only do we want to protect the social programs he speaks of, we have to reduce the cost that Canadian taxpayers are paying to service the debt, money which is then not available for social programs, health care, pensions, or anything else the Hon.

Member wants to ask me about. That is the reality, and while he might disagree with our economic philosophy, as we do with his, I would hope at least he would see the results for what they are.

[Translation]

PROMISES MADE TO RETIRED PERSONS DURING ELECTION CAMPAIGN—GOVERNMENT POSITION

Mr. Mike Cassidy (Ottawa Centre): A supplementary question, Mr. Speaker. Again it is directed to the Prime Minister since he is the one who, on behalf of the Progressive Conservative Party during the election campaign, made the unconditional promise to maintain old age security pensions for retired Canadians.

Through you, Mr. Speaker, I am asking the Prime Minister whether or not he will live up to his election campaign promise to retired people? On behalf of elderly Canadians, can we take the Prime Minister at his word?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, we have been left in such a precarious situation that, this year, we will have to spend \$25 billion to service the national debt we inherited from the Liberal Government.

Here is the tragic picture to put the problem in its proper perspective: social programs as a whole cost the federal treasury about \$19 billion, so we are actually spending a lot more on the national debt than we do on social programs, and that is a tragedy for Canada. We simply have to balance the books, and that is what we are doing. The only effective option acceptable to all Canadians and all Quebecers is the creation of permanent jobs in the private sector. Since the Progressive Conservative Government has been elected, we have created 271,000 new jobs in Canada, an achievement which bodes well for all Canadians.

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FINANCE**SMALL AND MEDIUM SIZED BUSINESSES—CAPITAL GAINS TAX EXEMPTION**

Mr. Alfonso Gagliano (Saint-Léonard-Anjou): Mr. Speaker, I have a question for the Minister of Finance. Consultants who addressed the Ottawa-Carleton Economic Development Corporation membership gathered to study the Budget came to the conclusion that, save for accountants and tax lawyers whom small and medium-sized business will have to hire to unravel the many intricacies of the new Budget, precious few Canadians will benefit from the so-called job creation measures.

In the opinion of the Minister of Finance, would it be more productive to make the capital gains tax exemption available to those who invest in small and medium-size businesses,