

Oral Questions

That included following, as I understand our predecessors did, provisions in regard to blind trusts and so on.

If there is a suggestion or an indication of impropriety I would be happy to look at the matter again and report back to the House and to the Hon. Member. But I want to give the Hon. Member the assurance that I exercised vigilance and care with regard to all of the nominations, and I was thoroughly satisfied that these matters had been properly dealt with, as well as the competence and integrity of the Minister involved.

Some Hon. Members: Hear, hear!

Mr. Chrétien: Mr. Speaker, I am happy that the Right Hon. Prime Minister intends to look into the matter.

● (1120)

OWNERSHIP OF SHARES—PRIME MINISTER'S KNOWLEDGE

Hon. Jean Chrétien (Saint-Maurice): Mr. Speaker, I should like to ask a very precise question. Was the Prime Minister made aware at the time of forming his Cabinet that that Minister owned 50 per cent of the shares of a shoe company? Did the Minister inform him precisely that he had these shares? If the Prime Minister knew, why did he appoint him to his job while for at least a month and a half the Minister was in a position to make decisions in relation to this industry? The blind trust in that matter cannot work because everyone knows that the company exists and that the Minister has shares. A blind trust cannot work; the company is his.

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I do not think it is a crime for anyone to hold shares or to hold directorships in companies prior to their holding high public office.

Mr. Waddell: Did you know?

Mr. Mulroney: One either divests oneself or one complies with the full requirements of the blind trust and other reporting arrangements which are quite properly required by Parliament.

Mr. Chrétien: Did you know?

Mr. Mulroney: I was aware that the Minister and others had financial holdings with which they were obliged to deal pursuant to statutes of this House. I have received the assurance that all provisions of the Act have been complied with. However, as I indicated to my hon. friend, I will be happy to look at it again with care to ensure that there has been full and absolute compliance, not only with the letter but with the spirit of the law as well.

THE ECONOMY

ECONOMIC STATEMENT—PROJECTIONS OF EFFECT ON EMPLOYMENT

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, my question is directed to the Minister of Finance. It was reported this morning by Infrometrica Limited, an economic forecasting firm, that, as a result of the budget cuts announced on November 8, 50,000 jobs will be lost next year and real economic growth will be reduced by .5 per cent. In refusing to give the House the Government's figures on the jobs to be lost by these cuts, the Minister said that they were insignificant and that in any case there would be an increase in jobs in 1985.

Considering the contradiction between his answers and the report of Infrometrica, would the Minister tell us whether the loss of 50,000 jobs is to be considered insignificant? Is this new 1984 Tory newspeak? Would he now release the job loss figures calculated by his forecasting model? Will he respect the Conservative commitment to open government and let the House judge what is significant or not?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, what I said was that the job loss was not insignificant. I said that the statistics which were thrown up by the econometric model were statistically insignificant.

An Hon. Member: What is the difference?

Mr. Wilson (Etobicoke Centre): There are differences between what the Infrometrica model has produced, our models and other econometric models in the country. I ask the Hon. Member to remember two things. One is that \$2 billion of spending cuts, net in a \$400 billion economy is not a major amount. The second is that econometric models do not measure the qualitative element of the improvement in confidence for both consumers and business, which I am sure will lead to an increase in jobs that will far exceed the measurable job loss according to the model.

MINISTER'S POSITION

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, the Minister and the Prime Minister continue to speak of jobs which might be created if interest rates decline far enough, if business confidence leaps ahead far enough. Is this projection merely a pious wish on behalf of the Government? Or, do they have some hard data or information from their friends in big business that they in fact will invest in jobs? Does he really believe that he merely pushes a "cut-cut" button and out the other end of his economic machine he gets "jobs-jobs"? How does he explain that in Japan, where the deficit is a higher percentage of GNP than it is in Canada, there is a much lower rate of unemployment?

Hon. Michael Wilson (Minister of Finance): Mr. Speaker, I remind the Hon. Member that 32,000 more jobs were created