

benefit has gone up by virtue of that from \$62 to \$68 a week—

**Mr. Hees:** Don't forget the weather.

**Mr. Andras:** We can use the weather if you want.

**Mr. Speaker:** Order, please. May we have order, please. Hon. members will note that there are a number of members seeking to ask supplementaries on this subject. I am not sure if this is what hon. members want because, if it were so, we could spend most of the question period on this important matter. The hon. member for St. John's East has a further supplementary and he will be recognized for that purpose.

**Mr. McGrath:** May I ask the minister what immediate steps he is taking to protect the unemployment insurance fund and to beef up the fund?

**Mr. Andras:** As I say, Mr. Speaker, I will be making a more detailed presentation to the House at some reasonably close date, but the fact of the matter is that I have already indicated publicly and in the House that a major re-organization of the Unemployment Insurance Commission operation is under way. Those details are available to hon. members.

#### UNEMPLOYMENT RATE INCREASE—DEPARTMENTAL ESTIMATE FOR BALANCE OF YEAR

**Mr. James Gillies (Don Valley):** Mr. Speaker, I wish to direct a question to the Minister of Finance. Given the fact that the labour force has declined in size and we have had a seasonal increase in unemployment, given the fact that the growth in the economy recorded so far this year was in the first quarter, and given the fact that obviously in making economic policy we have to look to the future, can the minister tell us what prediction or estimate of unemployment the Department of Finance is operating on for the balance of this year?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, we are operating on a prediction of a real growth of 7 per cent and of 300,000 new jobs, as I said in my budget speech, and that will probably be well exceeded.

**Mr. Gillies:** Mr. Speaker, the point of the question is that all the growth in the Canadian economy that the Minister of Finance is talking about now took place in the first quarter of the year. The second quarter figures showed no growth at all. Surely if we are going to have a decline in unemployment we should have action—

**Mr. Speaker:** Order, please. Perhaps the hon. member would now like to ask a question so that we may proceed.

**Mr. Gillies:** Thank you very much, Mr. Speaker. My question is simply this: given the forecast that the Minister of Finance has made of inflation for next year with his indexing figure, what forecast of unemployment is the Department of Finance operating on in making decisions with respect to fiscal and monetary policies for the balance of this year?

#### Oral Questions

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, I have never made a prediction, in this House or elsewhere, of unemployment figures. I have not done so either inside or outside the House because of the variables in the strength of the economy, the movement of the labour force, the participation rate, those entering and leaving the labour force.

#### UNEMPLOYMENT RATE INCREASE—SUGGESTED ABOLITION OF CORPORATE TAX CUTS AND TRANSFER OF REDUCTIONS TO INDIVIDUALS

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my supplementary question is directed to the Minister of Finance. In view of the fact that the corporate tax cut incentives obviously have not lowered the unemployment rate, can the minister say whether or not he is considering terminating them and using that half a billion dollars for tax cuts for ordinary citizens, thus stimulating their purchasing power, or providing the money to Crown corporations to invest in labour-intensive industries?

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, I think the hon. gentleman ought to recall that the purpose of the corporate tax cuts was to strengthen and expand the productive capacity of the economy and to increase, in the medium and long-term factors, the ability of the Canadian economy to compete abroad. He also ought to recall the figure I gave the House earlier, that the strength of the economy is measured in 417,000 new jobs for men and women brought into the labour force this year.

**Mr. Nystrom:** Mr. Speaker, in view of the fact that in the House today the minister referred to the great industrial corporations and the expansion of their production and so on but did not refer to how many jobs the corporate tax cuts have created, can he say definitely how many jobs those tax cuts have created?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, I would hope, by the time I bring in an interim report to the House on the effect of the corporate tax reductions at the end of March, that there will be far better information available than we have now.

#### UNEMPLOYMENT RATE INCREASE—REQUEST FOR NEW BUDGET

**Mr. Allan Lawrence (Northumberland-Durham):** Mr. Speaker, in view of the fact that the Minister of Finance is startled and disconcerted by today's unemployment rate but not startled and disconcerted enough to take the House into his confidence and tell us on what figures the government's expansion plans are based, leaving aside the unemployment figures, could he tell us, in respect of the inflationary rate from which we are all suffering, how he juggles the figure of 6.6 per cent as contained in the tax credit index today—

**Mr. Speaker:** Order. I am not sure that a question asked in these terms is in order. Perhaps the hon. member might like to rephrase his question.