

*Oral Questions*

held down by CMHC, and that oil price increases will go well beyond 6 per cent. Yet this government has the nerve to tell the working men and women in this country that their wages have to be held down to 6 per cent. That is completely unjust, and every Canadian knows it. When can we expect to get a clear statement from the government on what private sector firms will be permitted in terms of price increases? Will they be allowed to maintain historic profit margins, which means historic price increases and, if so, who is to determine the criteria of what an historic profit margin is to be?

**Hon. Marc Lalonde (Minister of Energy, Mines and Resources):** Mr. Speaker, again I am surprised that the Leader of the New Democratic Party would rather have people unemployed than being employed, with the possibility of having wage increases to the extent of 6 per cent and 5 per cent over the next two years.

**Mr. Broadbent:** What sheer hypocrisy!

• (1430)

**Mr. Lalonde:** The hypocrisy to which the Leader of the New Democratic Party refer is the hypocrisy of his own party on this whole issue. His party has been talking out of both sides of its mouth consistently on this issue.

As far as CMHC is concerned, the hon. member has made a statement without knowing the facts. There has been no decision. As far as Bell Canada is concerned, the Leader of the New Democratic Party has made a statement without knowing the facts, because there has been no decision made in that regard. I invite him to wait for the decisions and then make his judgments on what the situation will really be.

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**EMPLOYMENT****DIRECT JOB-CREATION PROGRAM—EFFECT ON FORESTRY UNEMPLOYMENT**

**Mr. F. Oberle (Prince George-Peace River):** Mr. Speaker, my question is for the Minister of Employment and Immigration. In light of the latest statistics published by the Council of Forest Industries of British Columbia which indicate that over half the industry is down and over half the forest workers in British Columbia are unemployed, and in light of the fact that these statistics are even worse in the rest of the country, can the minister tell me what the new program he announced just yesterday, which has an emphasis on areas with more chronic unemployment, will do to help the forest industry in British Columbia and the rest of the country?

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Mr. Speaker, the program we have is obviously not designed for just one sector of the industry. As we well know, the enormous downturn in employment in the forest industry is caused by the drying up of international markets,

and particularly by the enormous reduction in housing construction in the United States where about 80 per cent of our lumber products are sold. What we are trying to do through the measures announced in the job-creation program yesterday is allocate those measures to areas where there are chronic and continuing high unemployment rates, which is the definition we apply to development areas, but we are also applying substantially large amounts of job creation money to those areas which have recently been hit by downturns or layoffs.

As I pointed out in answer to a previous question, the allocation to the hon. member's province of British Columbia has tripled in one year in order to respond to the very serious problems faced by workers in those industries, and it is our hope that that substantial addition of job-creation money in that province and in other areas will be of assistance to workers in that industry.

**FOREST-RENEWAL PROGRAM**

**Mr. F. Oberle (Prince George-Peace River):** Mr. Speaker, the difficulties the minister has described have very deleterious effects not only on the industry and tens of thousands of workers but also on regions, municipalities, towns and cities which base their whole economies on forest-related industries. Included are small towns and whole regions in central and northern British Columbia as well as in the rest of the country. A previous program the minister undertook was intended to help this sector as well as the fishing and mining industries. The forest-renewal program has now been recognized as an object failure. Does the minister still have any faith in this program and, if so, would he be prepared to sit down with industrial leaders to discuss ways and means to take the bureaucrats and the red tape out of the system so that at least some workers can be employed in the crucial wood-converting industries in a way which would make an investment in the future of our country?

**Hon. Lloyd Axworthy (Minister of Employment and Immigration):** Mr. Speaker, the application of Section 38 programs is not a failure but is now going ahead. It was only a week ago Monday that I was in British Columbia and met with members of both the management side of the forest industry as well as officials of the woodworkers' unions to determine how we could work and co-ordinate our activities and efforts in a combined enterprise under Section 38. They have committed themselves to co-operate with me. We are working on the details and, because this program must be delivered, in large part, through the offices of the provincial government, we are now attempting to get the provincial government to undertake further actions to expand and further develop projects under Section 38. Some 16 projects have been approved under that program, and people already going to work on those projects. It is our hope, because of these meetings and because we are coming together under this new program, that we will still be able to expand employment opportunities substantially under Section 38.