

Oral Questions

Mr. Speaker: Order, please. I recognized the hon. member for Saskatoon-Biggar (Mr. Hnatyshyn) because of the obvious nature of the point of order involved. I think it would be very dangerous for the Chair to rule that the question period ought to continue and the time ought to be made up. It would seem to me to be unfair to use Standing Order 43 in a way that might cause us great concern in the future. The time is really not that great. Perhaps under the circumstances, however, and with the opportunity to consider this problem further and time to clarify it in discussion in future, the House might now give its unanimous consent that the question period will continue until ten minutes past three this afternoon. Is that understood?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

[English]

THE CANADIAN ECONOMY

ALLEGATION CANADA'S RATING AS PLACE FOR INVESTMENT HAS FALLEN—GOVERNMENT POSITION

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Industry, Trade and Commerce. With the shocking prospect that within one year there may be over 800,000 people out of work, as predicted by the Conference Board of Canada yesterday, and with business investment estimated to drop 1.5 per cent this year and slump by another 2.5 per cent next year, would the minister, responsible as he is for industry, trade and commerce, indicate if it is likely that we are faced with such a low level of investment, and does he agree in part with the current, scathing Credit Swiss financial letter which states that Canada's rating as a place for investment has suffered, owing in part to the imposition of our productivity hampering wage and price control program and arbitrary bureaucratic procedures at Ottawa?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): No, Mr. Speaker, I do not agree with this statement made by somebody who lives in Switzerland.

[English]

ALLEGATIONS OF CREDIT SWISS CONCERNING REASONS FOR UNEMPLOYMENT—GOVERNMENT POSITION

Mr. Sinclair Stevens (York-Simcoe): A supplementary question, Mr. Speaker. As the President of the Treasury Board has commented that our financial performance during the past four years has been nothing short of remarkable, would the minister indicate if his department or any department of government has undertaken any study to determine if we are in fact doing so well; and if we are, why have we had a higher unemployment level in this country, on average 622,000 people out of work, than any of the countries referred to by the

[Mr. Hnatyshyn.]

President of the Treasury Board; also, does the minister agree with Credit Swiss that our "... all-too-high unemployment in the country is 'structural', the heritage of years of ill-conceived policies that produced huge budget deficits...?"

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, I do not agree with that judgment.

IMPACT OF INTEREST RATES—POSSIBILITY OF LOWERING

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, may I direct a final supplementary question to the Minister of Industry, Trade and Commerce? As high interest rates in Canada, three to four points higher than in the United States, have become an impediment to business development and an unreasonable burden for our homeowners and consumers, would the minister indicate if his department has reviewed the adverse impact of such high interest rates on our economy and, based on that review, has he made any representations to the Minister of Finance concerning the desirability of lower interest rates in Canada?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, the government monetary policy is drafted by the Minister of Finance, not by the Minister of Industry, Trade and Commerce.

[English]

FORECASTS FOR REAL GROWTH AND UNEMPLOYMENT—GOVERNMENT POSITION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a supplementary question to the Minister of Industry, Trade and Commerce? Given that the University of Toronto Institute for Policy Analyses forecasts continued sluggish growth and even higher unemployment, that the Organization for Economic Co-operation and Development warns that this country faces a mini-recession and that the Conference Board of Canada is concerned about the Canadian economy going into a stall which would result in 3 per cent of real growth and an unemployment rate of 8.3 per cent by the end of next year, does the minister accept these serious conclusions? If not, does he have available at this time any analyses and forecasts to refute these most serious conclusions?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Mr. Speaker, of course the government is always concerned about the economic situation of our country and that is why we have recently announced measures to reduce unemployment. We are really concerned about the present situation, but I do not think we are going towards a recession, even if the percentage of our growth rate for 1977 will not necessarily be higher than this year's.