

Oral Questions

macro-economic policy is one we do not intend to change. That has been the position taken by all the nations at Versailles, and I point out to the Leader of the New Democratic Party that France, which tried for a while—perhaps because of its socialist government—to cure unemployment by stimulation, has now reversed its course and is bringing down policies which are much more in line with those the Canadian government has been following.

● (1430)

REQUEST THAT GOVERNMENT CUT INCOME TAX

Hon. Edward Broadbent (Oshawa): Madam Speaker, to deal with the policy options or alternatives in the way the Prime Minister has posed the issue in his reply, I should like to ask him, considering that on the weekend we learned that the Canadian economy is operating at only 69 per cent capacity, which is the lowest since records were kept, thus providing lots of room for stimulation without causing inflation, is the government contemplating a tax cut for low and middle-income Canadians? These people would spend the money to create jobs, and this would be a key means of creating more employment without adding inflation to the economy.

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, once again, on the premise of the question, I would point out to the hon. member that it is because the Canadian economy is underemployed that I voiced the concern that I did at Versailles. I expressed the hope that we would find other ways of curing inflation than by pursuing this route of underemployment of the economic factors of the nation.

As to the suggestions of the hon. member about stimulation, let me point out to him once again that he should look at the experience of the French government. The news may be too recent for the hon. member to have seen it, but yesterday the French government, which had been following expansionary policies which, as the hon. Leader of the New Democratic Party will recall, he enjoined us to copy and follow, discovered they led to such sad results that now France has had to devalue the franc voluntarily and adopt austerity measures, not the stimulative or expansionary measures that the hon. member is recommending, but austerity measures.

Whether the Minister of Finance in the government of Liberal Party of Canada will be as austere as President Mitterrand's government I cannot say, but the hon. member will judge.

REQUEST FOR STIMULATIVE MEASURES

Hon. Edward Broadbent (Oshawa): Madam Speaker, instead of the Prime Minister carefully reading his briefing notes, maybe he would listen to the question. I will repeat it. It concerns what is happening in the Canadian economy, not the French economy.

On the weekend we learned, to put it differently, that 30 per cent of our factories and offices are underutilized. This means that we can take stimulation in the economy without adding to

the inflation. Given this situation in the Canadian economy, will the government actively and seriously consider providing stimulation by means of a tax cut or other means that would produce jobs without adding to the inflationary pressure?

Right Hon. P. E. Trudeau (Prime Minister): Madam Speaker, the hon. member is advocating an expansionary course. I am telling him that expansionary courses have been tried in other countries at this time—a time of stagflation—and they have not worked. He will be able to judge and look at the statement made by the minister and will then see whether it is expansionary or not. I am telling him that the course we are following is to hope we will be able to create jobs and reduce inflation without causing more unemployment to start with. That is the dilemma with which the western industrialized nations are faced. Even though they have excess capacity, as the hon. member says, we still have very high inflation.

The question I was asking at Versailles is whether the only way to bring down inflation is to create more excess capacity, and the answer I gave was that I hoped not. I have not heard from the hon. member or his party about any way that this could be done. He has not suggested any way in which Canadians could somehow bring inflation under control without causing higher unemployment. If he has an answer I should like to hear it.

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ADMINISTRATION OF JUSTICE

REQUEST FOR CHANGE IN MANDATORY SUPERVISION PROGRAM

Mr. Bill Clarke (Vancouver Quadra): Madam Speaker, my question is for the Solicitor General. Since convicted sexual offender Paul Kocurek was free on mandatory supervision at the time he sexually attacked and killed fifteen year old Lise Clausen in Duncan, British Columbia, last August, and since the parole board had repeatedly denied him temporary absence and full parole because of psychiatric reports which indicated he liked to choke females during sex acts, will the Solicitor General admit that the eleven year experiment with mandatory supervision has failed? Also, will he introduce legislation that will return the decision for the release of dangerous criminals to the parole board?

Hon. Bob Kaplan (Solicitor General): Madam Speaker, I am certainly prepared to admit, as I have indicated before, that serious problems have been demonstrated with the mandatory supervision provisions enacted by this Parliament, in the last 12 years, and that I am dissatisfied with them. I have taken proposals to cabinet to change them, and I hope shortly to be able to do as the hon. member has requested and bring forward some changes that will toughen up the mandatory supervision rules and give more authority to the parole board.

Some hon. Members: Hear, hear!