

*Oral Questions*

amounts to \$358 million, so that it is a question of the order of values. To me at least, that is an impressive sum of money.

**Some hon. Members:** Hear, hear!

**Mr. Macdonald (Rosedale):** With regard to the rate of unemployment during the coming winter, as I indicated in response to questions yesterday we are giving this matter close analysis at this time and considering what program changes we might bring about, bearing in mind, however, that in our undertaking to restrain the increase of growth of government expenditures we have a relatively narrow margin within which to act.

**Mr. Broadbent:** Mr. Speaker, in order to get the full implication of the minister's policy before the House, may I ask this: Is the minister saying that the sum of money to which he referred, most of it being simply a re-introduction into the system of cutbacks which were announced in connection with other government legislation and earlier policy decisions, will be adequate to provide jobs for the hundreds of thousands of Canadians who are out of work now and for those Canadians who, as his own officials indicated, will be increasingly unemployed in 1977?

**Mr. Macdonald (Rosedale):** Mr. Speaker, there is \$100 million coming in this winter, and as I indicated \$358 million coming in during the course of the spring. These are significant sums of money in relation to public expenditures at any time. Therefore, I suggest to the hon. gentleman that it is distorting the order of values to refer to more than \$400 million as paltry.

UNEMPLOYMENT—PROPOSED NEW BUDGET INCLUDING TAX CUTS TO DEAL WITH PROBLEM

**Mr. Edward Broadbent (Oshawa-Whitby):** Mr. Speaker, bearing in mind that we have lost \$6 billion in production because of unemployment, I say to the minister that the sum is peanuts. May I direct my final supplementary question to the Prime Minister? Since the Prime Minister, in reply to a question I had directed to him as reported at page 141 of *Hansard*, said that forecasting unemployment rates in Canada is "beyond our power to state"—the Prime Minister was referring to the cabinet—and since both the Department of Finance and the Department of Manpower and Immigration according to information I have obtained have miraculously acquired the ability to forecast rates for next year and say we are going to have unemployment rates between 7.5 per cent and 8 per cent for the year, will the Prime Minister positively assure the House that before Christmas the government will introduce a new budget which will include measures to deal with this serious situation, specifically a tax cut for medium and low income Canadians?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, it seems to me that the very evidence the hon. member is bringing forward indicates that the Department of Finance and the Department of Manpower and Immigration are con-

[Mr. Macdonald (Rosedale).]

cerned about that particular economic situation. If they are concerned about it, the reason obviously is that they are discussing policy responses. The hon. member will hear of the policy responses in the House just as he hears other news about the government.

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[*Translation*]

FINANCE

MEASURES TO STIMULATE INVESTMENT IN EASTERN CANADA—GOVERNMENT POSITION

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I should like to put a question to the Minister of Finance.

Considering the increasing pressure in the Canadian economy, particularly because of the rising cost of energy which results in great hesitation in the area of investments, in particular among private companies, which does not help at all in the fight against inflation, can the Minister of Finance tell the House whether his department intends to come up with new ideas to improve the situation so that these companies can be more confident in the future, particularly those which operate in eastern Canada?

**Hon. Donald S. Macdonald (Minister of Finance):** Mr. Speaker, I do not follow the hon. member's argument completely, but I can assert that the government is now giving a subsidy of nearly \$1.4 billion to reduce the cost of energy in Canada. We have other programs under the responsibility of my colleague the Minister of Regional Economic Expansion, particularly in eastern Canada.

DIFFICULTY IN OBTAINING INVESTMENT IN DISADVANTAGED REGIONS

**Mr. Léonel Beaudoin (Richmond):** Mr. Speaker, I would like to direct a supplementary question to the minister in charge of investments.

Can the minister advise us whether his colleague and his department are prepared to consider regional disparities more thoroughly? We may face now a very difficult situation. Western Canada does not look very much like eastern Canada, economically speaking.

**Hon. Marcel Lessard (Minister of Regional Economic Expansion):** Mr. Speaker, I could answer the hon. member that our department is indeed continually considering regional economic disparities, including those in the regions he is mentioning. That is why our programs in conjunction with provincial governments are established with a view to developing the economic potential of those regions over a lesser or longer term. That is why we are making arrangements with provincial governments including the province of Quebec. Particularly, with the development of his own region's industrial sector in mind, we have established industrial areas and industrial structures and infrastructures which have already had results. New industries will provide jobs in a far more dynamic