

Oral Questions

to give a specific answer to the hon. member's question, I asked my officials to meet immediately with their provincial counterparts to have the same basis for discussion. A technical meeting on this subject is scheduled for next week.

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[English]

MANPOWER

UNEMPLOYMENT—POSSIBILITY OF NEW FORECAST

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Employment and Immigration. It too deals with forecasts. The report which was produced by his department and which I released two days ago included a forecast for unemployment levels for this year and next year of 7.3 per cent and 7.6 per cent respectively. Since the actual rate of unemployment for the present year is now averaging 8 per cent, well above what was forecast just last spring, will the minister inform the House if the same group of people in his department have done a new forecast or, if not this group, someone with a little more foresight? Has such a forecast been done and, if so, will the minister tell us the results?

● (1422)

Hon. Bud Cullen (Minister of Employment and Immigration): Mr. Speaker, it is appropriate that officials in the department should have a continuing watch on the unemployment level. If the hon. member will check his figures, I think he will see that the actual figure is about 7.5 per cent, but the figures that are quoted here are 7.4 and 7.6. The 8.3 and 8.2 he is referring to are on a seasonally adjusted basis. The other aspect I would bring to the hon. member's attention is that he was quoted wildly or widely in the press—

Mr. Broadbent: Both.

Mr. Cullen: Maybe both, to the effect that the unemployment rate would increase at a rate of about 2 per cent per year. In fact, that report made reference to an increase in the labour force. I do not know whether the hon. member was mistaken or the press has again made an error in reporting what he actually said.

Mr. Broadbent: Mr. Speaker, the minister must know it could not have been possible that I was mistaken in the statement. I say that with all due modesty.

Some hon. Members: Oh, oh!

Mr. Broadbent: I now ask the minister if he will answer the question. The question is whether a new study has been done. Whether the report of the study is accurate or not, what is accurate is that the forecasts made in the study have turned out to be false. Unemployment rates are now higher than the forecasts. Has a new forecast been done? If so, will he tell us what it is? Related to that, since the study stated it will cost some \$4 billion next year in unemployment insurance payouts,

[Mr. Chrétien.]

will the minister advise what the new figure will be? It will surely be higher.

Mr. Cullen: Mr. Speaker, I guess we can argue all day about figures of the kind the hon. member mentions, and whether he was quoted correctly or incorrectly in the press. In fact, as a result of seeing the worsening situation, this government saw fit to move from \$358 million to \$458 million for direct job creation programs. My own department has something like \$1,200 million in that particular field which strikes me as a pretty adequate response from one federal department to cope with the problem we have.

SUGGESTED USE OF UNEMPLOYMENT INSURANCE FUNDS FOR
JOB-CREATION PROGRAM

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, that is two questions in a row the minister has refused to answer. I now want to ask him a third question. Since the actual level of unemployment in Canada is just beyond 1.3 million and since unemployment in the province of Newfoundland has reached the depression level of 1932, will the minister not agree it makes a lot more sense to spend the \$4 billion that has been estimated for unemployment insurance on job creation?

Hon. Bud Cullen (Minister of Employment and Immigration): Yes, Mr. Speaker, if we had received the support of the hon. member's party and solid support for the development use of the unemployment insurance fund, it would have been a positive response and an appropriate use of the money that could be made available for that specific problem. The hon. member says his questions were not answered. Sometimes when you go on a fishing expedition, you do not catch anything.

Some hon. Members: Hear, hear!

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[Translation]

AGRICULTUREREQUEST FOR FINANCIAL AID FOR QUEBEC FLUID MILK
PRODUCERS—GOVERNMENT ACTION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, my question is directed to the hon. Minister of Agriculture. Considering the present dispute between the Quebec Federation of Fluid Milk Producers and the Canadian Dairy Commission and given the fact that funds have been withheld on both sides since the month of May, could the minister tell the House whether there are new developments and whether negotiations between both organizations are maintained in order to reach an agreement and give justice to the producers who necessarily need their money to manage their business?

[English]

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, there has been discussion between the Canadian Dairy Com-