

[English]

Mr. Deputy Speaker: Order, please. With respect, I think neither the hon. member who has just spoken nor the hon. member for Gander-Twillingate really have questions of privilege or points of order. The minister has the floor and I think he is entitled to make his remarks. I would ask hon. members to permit him to make his remarks.

Mr. Lundrigan: Mr. Speaker, in the interest of co-operating with the Cr ditistes I will deal with my argument—

Mr. Deputy Speaker: Order, please. Would the hon. member resume his seat? The Minister of National Revenue has the floor.

Mr. Gray: Mr. Speaker, with respect to the figures of unemployment and their accuracy I think the best proof of the correctness of the figures is that the hon. member's leader, the Leader of the Opposition, used and interpreted them for his own purposes. Any other hon. member is entitled to take the same figures and draw such conclusions as he thinks appropriate from them. In any event, I am informed with respect to the particular method of computation, and whether or not there has been an adjustment in the method used, that the fact of the matter is that the present method presents essentially the same results as the one to which the hon. member referred earlier.

Mr. Lundrigan: "Essentially the same" is not the same.

Mr. Gray: Basically the same result; exactly the same result. Let us contrast this encouraging progress that I have mentioned with the predictions of all three parties yesterday that government policies would do nothing to help reduce unemployment this winter and that the same policies have irreparable effects on economic growth. The joint DBS and Manpower Department statement has this to say:

The underlying employment and unemployment situation improved in January, 1971.

That was the statement the Leader of the Opposition used for the basis of his remarks a few moments ago. The statement goes on:

This seasonal reduction—

That is referring to the reduction in the number of unemployed.

—was the smallest, in percentage terms, ever recorded for this period by the labour force survey. The increase in the number of persons unemployed represented the smallest percentage increase between these two months for many years.

I would also point out that the decline in unemployment on a seasonally adjusted basis did not take place simply as a result of withdrawals of Canadians from the labour force. I am informed that the number of Canadians forming part of the labour force on a seasonally adjusted basis was at an all-time high in January. Again I should like to quote the release which the Leader of the Opposition seemed to find so useful to him.

The Budget—Mr. Gray

Consistent with the smaller-than-average—

Mr. Downey: On a point of order, Mr. Speaker.

Mr. Deputy Speaker: Order. The hon. member for Battle River (Mr. Downey).

Mr. Downey: For the benefit of the House I think we should hear what the hon. member for Gander-Twillingate has to say. Obviously—

Some hon. Members: Oh, oh!

Mr. Deputy Speaker: Order, please. With respect to the hon. member, that is not a point of order. The Minister of National Revenue.

Mr. Gray: May I again quote from the release in question.

Consistent with the smaller-than-average seasonal reduction in actual employment, employment on a seasonally adjusted basis advanced strongly from the previous month to 8,006,000, the first time it had exceeded the eight million mark.

It is correct that the statistics show an increase in the actual number of persons who were not working between December and January, but as the Leader of the Opposition in his own way agreed, I think, this is always the case at this time of year. In relative terms, the DBS report pointed out that the increase of 130,000 was the smallest since that of December, 1958, and January, 1959.

I want to make it clear, Mr. Speaker, that nothing I have said should be taken as implying in any way that the government considers even the lower rate of unemployment in January as being satisfactory. I do not suggest that it is satisfactory and the government does not regard it as such. The government is concerned about the level of unemployment and what it means in human and economic terms to those affected. It has been taking action to meet what the Minister of Finance in his budget statement confirmed as the government's objective—the goal of a substantial and sustained economic expansion and therefore, I might add, the increase in employment which would come with such expansion.

The figures that I have cited, however, do provide further important evidence that the accelerating pace of economic growth resulting from the expansionary fiscal and monetary measures progressively adopted since early last spring, and added to by the December budget, have brought about a reduction in the level of unemployment on a seasonally adjusted basis from last September onward. There may, of course, be variations from month to month, but the expectations are that this trend of declining unemployment will continue in the months ahead.

A few moments ago I referred to the strange spectacle of the three opposition parties joining in their condemnation of government economic policies, given the sharp conflicts in the policies that each party advocates. For example, does the Conservative party support the increase in government spending running into the billions of dollars advocated by the NDP? And if the Conservative party does support such a massive increase in