

*Proceedings on Adjournment Motion*

Those are the questions industrialists and businessmen are asking themselves and they would like to know if they can rely on some sort of protection because the private sector is dying.

[English]

**Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance):** Mr. Speaker, the government and the Bank of Canada inaugurated an expansionary period in the Canadian economy in March, 1970. The effects of this stimulus began to show in the rates of seasonally adjusted unemployment last September, and while there have been minor fluctuations since then the unemployment trend has been downward, and notwithstanding the surprising jump in April it is expected to continue downward throughout the year. There have been three other occasions since the present labour force survey began when the seasonally adjusted unemployment rate took a sharp upward jump. On all three occasions the following month's figures fell back and the improved trend continued.

Seasonally adjusted unemployment figures are an important economic indicator but they are not the only one. Housing starts, manufacturing shipments, new orders, chartered bank general loans, industrial production, seasonally adjusted retail trade figures and exports are among the indicators that support the contention that we are not just beginning but are, in fact, well into a period of economic expansion.

The hon. member referred to a lack of equilibrium in the economy. I am not too sure what he means by that and I am afraid his comments did not clarify the implications of the term. However, Canada's is a free enterprise, not a controlled economic system. As I said in the debate this afternoon, a certain unevenness in the functioning of the economy is the price Canadians pay for a great deal of personal freedom in their economic decisions, and to date it is a price most Canadians have felt has been worth paying.

Motion agreed to and the House adjourned at 10.19 p.m.