

Oral Questions

Mr. Broadbent: Have you read it?

Mr. Lalonde: The Hon. Member asks whether I have read it. I certainly have. What is depressing about the Hon. Member's behaviour is that he does not seem to hear nor does he seem to be able to read. The document states that among the factors that affected the world recession was the stubbornness of inflation, combined with governments' anti-inflation policies that were geared to beat that inflation.

As the Hon. Member knows, we have known such a thing as stagflation in this country, when we had high unemployment and high inflation.

Mr. Crosbie: And a Liberal Government.

Mr. Lalonde: What we are trying to do—and we have succeeded in reducing inflation—is to build on that reduced inflation and the recovery that we are experiencing at present, to create jobs. Not only are we creating jobs faster in this country than in any other industrialized country but we are also creating jobs faster than we even anticipated in the April budget. That is a good record and I think we should build upon that, rather than walk around like a typical gasconner.

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EMPLOYMENT

RATE OF JOB CREATION IN AUGUST

Hon. James A. McGrath (St. John's East): Madam Speaker, the Minister of Finance will know that the level of employment in this country, based on the figures when the recession commenced in August, 1981, is down by 267,000 jobs, yet the labour force during that period increased by 350,000.

I want to ask the Minister, who boasts of his performance in terms of job creation, how he explains the fact that, given the data released by Statistics Canada last week, only 15,000 jobs were produced in the month of August. This represents a decline of 75 per cent in the level of employment over the previous four months. When the Minister boasts of performance, how does he explain that?

[*Translation*]

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member forgot to mention that Statistics Canada also stated that the unemployment rate in Canada during that time dropped to 11.8 per cent, compared to what it was in the previous month. We have had a drop in the unemployment rate in August. I agree, the number of jobs created during the month of August was less than in previous months, but the important thing is the general trend, and we cannot form definite conclusions on the basis of information for one month alone. Even Statistics Canada was unable to explain, for instance, exactly why the number of new jobs created in the month of August was less than it was in previous months. We shall have to monitor developments in the months to come, but if the Hon. Member would consider the trend that has been

developing since last December, he will see that 17,000 jobs were created in December, dropping to zero in January, and subsequently shooting up to 27,000 in February, and then in March, we went from 28,000 to 63,000 jobs, compared to November. There are fluctuations from month to month, and it is important to look at the average figures, which show that there is a definite upward trend since last November.

[*English*]

Mr. McGrath: Madam Speaker, it defies logic how the Minister can see any trend in a decline of two-tenths of one per cent in the unemployment statistics. If that is a trend, the Minister had better get some new economic forecasters. The facts are that the rate of employment in this country, that is, job creation, fell by 75 per cent during the month of August. These are the cold, hard facts that face the country today, and the Minister knows that.

PROPOSAL TO CREATE YOUTH DEPARTMENT

Hon. James A. McGrath (St. John's East): Madam Speaker, I want to address a question now to the Minister of Employment and Immigration who has a responsibility in this matter. Given the fact that he has seemingly rejected outright as too "gimmicky", I think that is the word he used, the recommendations made by the Liberal Quebec caucus for the creation of a youth department within the Government, may I ask what advice he has for the 600,000 young people in this country who are unemployed? According to a study issued by his Department, they face bleak prospects for the next two years.

Given these facts, and the fact that all he was able to tell the young people of St. John's and the young people of Canada during the course of a conference on youth unemployment—

Madam Speaker: Order. Order, please. I think the Hon. Member will recognize that he has had a good chance to ask the question.

Hon. John Roberts (Minister of Employment and Immigration): Madam Speaker, the hon. gentleman is guilty of an extraordinary misstatement of fact. It is not I who rejected out of hand the creation of such a department; it was the Leader of the Opposition. It is not I who termed it a gimmick; it was his colleague from St. John's.

What I suggested is that I should like to know why the Leader of the Opposition did reject it out of hand. I think it is an idea very much worth considering.

Mr. Crosbie: A bloody gimmick.

Mr. Roberts: I have also been discussing with my colleagues on the front benches, and on the back benches, that approach and alternative approaches which might arrive at the same objective even more efficaciously. I have not rejected the idea, but the Hon. Member's colleagues have. Rather than addressing barbed questions to me in the House it might be more