

• (2:20 p.m.)

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill C-25, an act respecting Canadian National Environment Week, with amendments, to which the concurrence of this House is desired.

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—FURTHER MEASURES TO STIMULATE ECONOMY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I had a question for the Minister of Finance who is supposed to be here today. I hope he has not suffered the same unfortunate fate as his white paper on tax reform. Perhaps I can direct the question to the Prime Minister. Is the government now considering further methods to stimulate the economy, such as a reduction in taxation, particularly in view of the fact that the seasonally adjusted rate of unemployment for the month of February has shown no reduction compared with January, indicating clearly that the economy has not turned the corner that the Minister of Finance has been talking about for a number of months, and can the Prime Minister indicate—

Mr. Speaker: Order, please. I assume the hon. gentleman is coming to his question soon.

Mr. Stanfield: I asked the question to start with, Mr. Speaker. I ask the Prime Minister whether in view of these facts the government is considering further methods to stimulate the economy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I disagree with the premise of the question asked by the Leader of the Opposition and therefore I cannot announce any further measures of stimulation now. The premise of his question is that the economy has not turned the corner. On the contrary, all available statistics do indicate that the economy is growing at an accelerated rate since last fall. The gross national product increased at a seasonally adjusted rate of 6.4 per cent in the last quarter of 1971, compared with the long-term average of 4.9 per cent, and the index of industrial production rose sharply by 1.1 per cent in January compared with the normal increase of .5 per cent.

Mr. Stanfield: Mr. Speaker, has the Prime Minister considered the fact that employment in manufacturing, for example, between January and February rose only at the normal rate? In particular, I would ask him whether or not he is prepared to undertake some measures with respect to those who have been out of work for more than four months in view of the fact that more than a quarter of a million Canadians have now been out of

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work for more than four months, some 40,000 more than in January and over 100,000 more than in February, 1970?

Mr. Trudeau: Mr. Speaker, we deplore this regrettable situation but there again the hard-core unemployment to which the Leader of the Opposition refers has fallen slightly on a—

Mr. Stanfield: On a what?

Mr. Trudeau: —seasonally adjusted basis.

Mr. Stanfield: Mr. Speaker, I certainly cannot accept that assertion. In view of the admission of the Minister of Manpower and Immigration that his most optimistic forecasts of employment for students this summer will fall well short of the demand and in view of the rate of unemployment for those under 24 years of age exceeding 13 per cent, I ask the Prime Minister again whether the government now proposes to take any additional measures to assist those under 24 years of age who are not students so as to offer them some prospect of obtaining work?

Mr. Lang: On a question of privilege, Mr. Speaker—

Mr. Speaker: Order, please. The minister is rising on a question of privilege.

Mr. Lang: I should like to indicate to the Leader of the Opposition that in indicating something which he suggests I said he is not stating the facts. I want to bring that to his attention so that matter will be clear.

Mr. Stanfield: With all due respect, Mr. Speaker, that is not a question of privilege; it is simply an assertion. I repeat my question. In view of the admission of the minister that his most optimistic forecast of student employment will not exceed 900,000 whereas the number seeking employment will reach approximately one million and in view of the rate of unemployment among non-students under the age of 24 exceeding 13 per cent, will the Prime Minister and his government be taking any measures to assist those who are not students to get work?

UNEMPLOYMENT—SEASONALLY ADJUSTED RATE ACCEPTABLE TO GOVERNMENT—MEASURES TO EXPAND ECONOMY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the fact that the figures published today by the Dominion Bureau of Statistics indicate that the government's policies have had no effect so far in reducing the number of unemployed, either actual or seasonally adjusted, and in view of the statement of the Prime Minister, as reported in the *Toronto Star* on February 24 last to a \$50 a plate dinner in Montreal that unemployment is something Canadians will just have to learn to live with, I want to ask the Prime Minister if we can now assume that the government is prepared to settle down to a seasonally adjusted rate of 5½ per cent to 6 per cent per year?