

*The Address—Mr. Roberts*

As a result of the six and five, as a result of the decline in inflationary pressures, real wages in Canada increased by 2.7 per cent in the first nine months of 1983. The restraint program was one of the components of creating a context for economic growth and the jobs that economic growth will bring.

The second major basis of the Government's effort to provide a supportive context to private sector activity was found in the budget brought in by my colleague, the Minister of Finance (Mr. Lalonde), last April, a budget which contained \$2.5 billion in tax changes designed to encourage entrepreneurs, small business and business generally to revive, to make the investments and to undertake the activity which would provide jobs in our economy. Those two elements, a policy of restraint led by the Government, the six and five policy, coupled with the budgetary incentives, were designed to assist the private sector to do what we think it is capable of, and that is, to generate jobs within the Canadian economy. But we recognized that it would take time before those two efforts had their full impact. First, the restraint that led to restraint of wages and a more competitive position for the Canadian economy and second, the budget with its incentives for job-creation. We recognized they were not going to be instantaneous impacts and that it would take time for those efforts to be felt within the economy.

Therefore, we brought forward some short-term programs designed to provide job-creation impetus while those two major measures strengthened and took on their full impact. The first of those was the NEED Program. The NEED Program has been extraordinarily successful in leading to the expenditure of federal Government funds in co-operation with other levels of Government and in co-operation with the private sector to create jobs in the Canadian economy. As a result of expenditures by the federal Government of something like \$470 million, over \$1.2 billion of investment activity was generated in the Canadian economy. The private sector and other levels of Government joined with their funds, the funds that we have put to this purpose with the intent of creating jobs, and indeed something like 90,000 jobs in the Canadian economy were created by the NEED Program.

The second major program with a short-term impact in job-creation was the special recovery program. It brought forward a variety of projects to something like the value of \$2.4 billion from the longer term calendar of government construction, to have them done last year and this year to assist economic recovery now, to help create jobs now. There are about 283 construction and procurement projects under the special recovery program, projects in resource development, research and training facilities, tourism and development, shipbuilding and transportation infrastructures, over 80 per cent of which will be started by the end of this month creating economic recovery and jobs.

What was the impact? How successful were we with those measures which were brought forward by the Government, both the overall ones and the more specific short-term one-shot programs? In 1983 we did have some recovery. The Gross National Product rose by 6 per cent, which is 1 per cent over

the OECD average. Generally it is believed the prospects are strong for growth in Canada. I know Members of the House are familiar with the Conference Board's predictions for Canada over the last few days, but it is perhaps important to stress that those predictions are not consistent with or typical of those being made generally by economic analysts. Both the OECD and the United States Conference Board have indicated that they expect Canada to be a growth leader among nations over the next year.

I will refer Hon. Members, for instance, to a synthesis of leading economic forecasters, which was published at the end of 1983. This synthesis indicates there is an expectation that national growth, real growth, excluding inflation in 1984 in the Canadian economy, will be 4.6 per cent. There is an indication that inflation will be held under 6 per cent, to 5.5 per cent. There is an indication that the number of employed in Canada will increase by about 3 per cent, and an expectation that the unemployment figure will drop by about 1 per cent over 1984. Those figures come from the column written by the financial commentator Jack McArthur in *The Toronto Star* for January 1, 1984. Clearly that expected drop in employment is significant and welcome. But just as clearly the persistence of unemployment is still a great challenge to us. I do think that employment creation is probably a better criterion for assessment of our success or our lack of success than the unemployment figure itself. It is a paradox but it is nevertheless true that with the growing strength of the Canadian economy we will attract back into the labour force many Canadians who, at the time of the recession, had left it or had not entered it. The pace of economic recovery will not necessarily be reflected fully in unemployment figures, given this re-entry. In some ways, I believe the job-creation figures are a stronger indication of how successful our economic recovery is in generating jobs. Then on that basis there is an indication over the last year of considerable success. The number of jobs created in Canada, seasonally adjusted in 1983, was 378,000, something like an increase of 3.7 per cent in employment. To break it down a little bit for reasons I will touch on later, the increase in employment for females in Canada throughout 1983 was 5.4 per cent, for males 3.6 per cent, but for young people only 1.4 per cent. I want to underline that because it indicates in statistical form the reason the Government has decided to give its top priority to employment creation, the generation of jobs, for young people.

The employment creation rate has been quite high during the second half of 1983. For instance, our employment growth rate stood at 5 per cent, which is the same as it has been in the United States, and nearly double the OECD average.

I would like to review what we have done within the Employment and Immigration Commission and in my Department. As I said earlier, our activities take place in the context of the overall strategy of the Government which is dependent upon economic recovery and the efforts of the private sector to create jobs. The programs in the Employment and Immigration Commission are in effect targeted to problems of special importance. Our belief is that in an overall sense it is economic