

Oral Questions

the number of people working in Canada in our manufacturing industries today is no greater than at the time the Prime Minister imposed wage and price controls in this country—in short, there has been virtually a stagnant situation in job creation so far as our manufacturing industry is concerned—would the Prime Minister indicate whether he thinks the controls program has in fact had a detrimental effect on job creation in our manufacturing industries?

● (1420)

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not prepared to reach that conclusion on the evidence of the statistics. The hon. member knows that there is over-capacity in many of the manufacturing sectors, and that is probably the first reason there is not a very great rush to increase investment. We were hopeful the last budget would create a climate wherein the private sector would want to take up this tax room, but thus far progress has been slight.

DATE RECOVERY IN UNITED STATES WILL HAVE EFFECT IN
CANADA

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, again my question is directed to the Prime Minister. Representatives of his government, and the Prime Minister himself, have stated on previous occasions that recovery in the Canadian economy would occur as a result of recovery in the economies of our principal trading partners. Now that the economy of our major trading partner, the United States, has recovered to the extent that employment in their manufacturing sectors has grown by 2.5 per cent in the last year, while employment in our manufacturing sector has actually fallen by 2.5 per cent in the last year, would the Prime Minister indicate to the House when he expects the recovery in such countries as the United States will catch on in Canada and lead us out of the wilderness into which his policies have led us?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Finance has made it repeatedly clear that the effects of the budget he presented would be slow and that the recovery of the Canadian economy, both in terms of unemployment and inflation, would be slow. This is the reality of the situation, and we have never tried to hide it.

ESTIMATED LEVEL OF UNEMPLOYMENT IN DECEMBER

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my final supplementary is directed to the Prime Minister. I should like to discern how slow is slow. Will the Prime Minister indicate what his estimate of unemployment for December will be, bearing in mind that the Secretary of the Treasury in the United States believes that their unemployment, now a point lower than ours, will be down to 6.5 per cent come December of this year? The budget that is now in place, will that ensure a 6.5 per cent unemployment level in Canada by December?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the progress, which I indicated would be gradual, is something

[Mr. Stevens.]

which the Minister of Finance will have to assess before making any further statement on budgetary or fiscal positions.

DATE OF ANNOUNCEMENT OF NEW JOB CREATION PROGRAMS

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, my question is for the Prime Minister. Having acknowledged that substantial parts of the manufacturing sector are operating in excess capacity, why will the Prime Minister not simultaneously acknowledge that the government's entire strategy of stimulating the economy by giving tax cuts to the corporation was wrong? In the Prime Minister's reply to Premier Schreyer's request for a first minister's conference to deal with unemployment, he said that federal job creation plans are almost complete. This is new to Premier Schreyer and it is new to the people of Canada, that the federal government has some new job creation programs. If these plans are near completion, I should like to ask the Prime Minister when we can expect an announcement about them.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Manpower and Immigration has repeatedly indicated to the House what new funds were put into job creation programs such as Canada Works and other areas.

Mr. Broadbent: Mr. Speaker, the Prime Minister is either sick today or he is asleep.

Some hon. Members: Oh, oh!

Mr. Broadbent: I should like the Prime Minister to clarify the statement in his telegram to Premier Schreyer of Manitoba to the effect that there are new plans which are almost complete, which is something different from what he has said now. Are there new plans which the government has in mind to produce jobs, or are we going to rely simply on the old ones which we have seen have not worked so far this year?

Mr. Paproski: That was prior to the election this fall.

Mr. Trudeau: Mr. Speaker, I do not remember having tabled that letter to Premier Schreyer, nor the date of it. If it was referring to plans that the Minister of Manpower and Immigration has already announced, then my first answer is correct. If it is a very recent answer then it has to do with the plans that the Minister of Manpower and Immigration is working on now. I repeat, however, I cannot recall having tabled that letter or making it public. I just wonder where the hon. leader of the NDP got it.

Mr. Broadbent: A supplementary question, Mr. Speaker. It is no great mystery. It is not confidential and I have a copy of the statement. The premier of that province, who has asked the Prime Minister to organize a conference, issued a statement a few days ago in which he referred to the Prime Minister's commitment for new programs. The question I have following what seems to be Premier Schreyer's very sensible request is this: If there are new programs may we hear what they are? If the government is now working on them, why has it not