

Mr. Chrétien: Mr. Speaker, of course, the hon. member is very good at making good news into bad news: he lives on it. I think if you look at the performance of the Canadian economy over the last year, however, there has been a very substantial increase in the number of manufacturing jobs; in fact, it is more than 100,000. Of course there is a fluctuation from month to month, but I think one can have a larger view than just looking at only one month.

Mr. Broadbent: Mr. Speaker, as usual, the minister has got his facts wrong. In the past two months only has there been a decline in the number of manufacturing jobs; in every other month this year there was a slight increase. I will let the minister correct that, but he should check the figures.

I should like to repeat the point and get an honest answer from the minister. If we have had a decline in manufacturing jobs two months in a row, would he tell us if he has received from the Ontario government a submission pointing out that, because of its fiscal and monetary policies, the federal government has made a mess of the manufacturing sector? Would he confirm that he has received that submission? More importantly, would he tell the House, at long last, what he intends to do to stimulate growth in the manufacturing sector, which is the crucial sector in the economy for long-range growth?

Mr. Chrétien: Mr. Speaker, I think the best stimulus the manufacturing sector has received for some time has been the fact that in Canada we are more competitive in world markets. If the hon. member will look at the figures that we have on trade surplus, he will see that we are selling much more abroad than before. I know it took him a long time to recognize that there has been a substantial increase in the number of jobs in the manufacturing sector over the last year, but when the Canadian Manufacturers' Association came to Ottawa to make representation two weeks ago, that is what they said.

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● (1427)

[Translation]

UNEMPLOYMENT INSURANCE

REASON FOR REDUCTION IN NUMBER OF VOLUNTEER FARM WORKERS

Mr. C. A. Gauthier (Roberval): Mr. Speaker, once again my question is to the Minister of Employment and Immigration.

Referring to section 57 of the Unemployment Insurance Act, the minister said, in his answer of November 3 that before 1967 the act contained a provision pursuant to which agricultural workers could be exempted by working on a voluntary basis. Since it seems this provision did exist before 1967, could the minister tell the House whether this change, that is the end of voluntarism, occurred following representations from the Canadian Federation of Agriculture or from the Unemployment Insurance Commission?

Oral Questions

Hon. Bud Cullen (Minister of Employment and Immigration): Mr. Speaker, it was due to both the federation and the public servants, because of administrative difficulties.

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[English]

THE CANADIAN ECONOMY

HIGH RATE OF BANKRUPTCY IN SMALL BUSINESSES

Mr. Otto Jelinek (High Park-Humber Valley): Mr. Speaker, I would like to put my question to the Minister of State (Small Business): it is with regard to the further increase in the bank rate, which the minister knows is so harmful to the small businessman.

In view of the fact that the small business sector is already experiencing damaging setbacks as a result of the uncertainty and confusion this government's ad hoc policies have created, and because the bankruptcy rate in this sector increased by an unprecedented 41 per cent in the first six months of this year over last year, has the minister made, or does he intend to make, any positive representations to the cabinet which would perhaps protect the small businessman from these exuberant bank rates, because without some kind of protection, as the minister knows, the very survival of many small businesses is threatened?

Hon. A. C. Abbott (Minister of State (Small Business)): Mr. Speaker, if the hon. member is trying to alert me or the government to the severe problems small business faces as a result of sharply increasing interest rates, I would agree with him that this is creating a very undesirable difficulty: cash flow problems are resulting, and it is a matter of very real concern. But I would say that the United States and, consequently, ourselves have not introduced these changes to punish the business community or to somehow depress the economy.

I would say that if the result of these stabilizing plans both in the United States and here have the effect of stabilizing North American currencies, have the effect of putting a damper on inflation and have the effect of restoring confidence in our business community abroad, then I would suggest that, despite the problems being faced, the cash flow problem is a result of higher interest rates and the price will be justified by the confidence that will be engendered. However, in answer to the member's point—

Some hon. Members: Oh, oh!

Mr. Abbott: I would say directly that I am—

Mr. Speaker: Order, please.

Mr. Jelinek: Mr. Speaker, I would hope that I would not have to alert the minister of the problem with bank rates: I just wanted to find out what he is doing. Obviously, he has not been able to answer that. The minister knows that small business usually operates on a relatively small profit margin, very often dependent on concrete and long-term interest rates.