

*Oral Questions*

serious question and the people of this country are entitled to an answer, not a Prime Minister who shoves his finger around and—

**Madam Speaker:** Order. Order, please. Will the Hon. Member please put his question? The trouble comes from the fact that the question has not yet been put.

**Mr. Crosbie:** My question was just put, and I will put it again, Madam Speaker. Does the Prime Minister agree with the accuracy of these warnings of the Economic Council of Canada? Do the Prime Minister and his Government intend to obtain powers to roll back increases in prices or wages?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the Government has read with interest the report of the Economic Council of Canada. The Economic Council has a number of forecasts, and their short term forecasts are similar to those which have been made by the Government, particularly in my budget of last April, for 1984-85. The forecasts for 1986-87 are obviously much more hypothetical and are different from those contained in my budget. I must remind the Hon. Member, however, that the targets put forward in the report of the Economic Council are very similar to the forecasts which I had in my budget, for 1986 and 1987. In that sense the curve which I had foreseen over the next four years is very similar to the targets set by the Economic Council for 1986 and 1987.

As to the specific proposal put forward by the Hon. Member, he will have noticed that the Economic Council is proposing a monitoring agency—not a price or wage control agency—over prices and wages after the expiration of the six and five program. Obviously this is a matter which the Government will take into consideration in discussions with its economic partners, labour, management, and the Provinces, regarding the steps that should be taken after the expiration of the six and five program.

## CHAIRMAN'S COMMENTS ON ECONOMIC PERFORMANCE

**Hon. John C. Crosbie (St. John's West):** My supplementary question is directed to the Prime Minister—to the puppet master, not to the puppet. The question is this—

**Some Hon. Members:** Order.

**An Hon. Member:** That is pretty good order.

**Mr. Nowlan:** You do not know anything about order.

**Mr. Crosbie:** The Economic Council of Canada is an adviser to the Prime Minister, and its Chairman has said that an unemployment level of 11 per cent is unacceptable. Does the Prime Minister agree with the Chairman who has said, "We will be ill-served if we accept the type of performance we seem to be getting. We believe we can do better."? Does the Prime Minister agree that we have been ill-served by the Government's performance, and does he believe that we can do better? And, if so, why do we not do better?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, indeed, we are not satisfied with 11 per cent or 12 per cent unemployment. The best evidence of this is the type of measures which have been announced in the June, 1982, budget, my October economic statement, and the budget of last April.

We have succeeded in bringing down unemployment faster than what has been forecast. We have succeeded in creating jobs faster than any other industrialized country. I refer my hon. friend to the forecast contained in the April budget to the effect that, indeed, in the next few years we will reach a level of unemployment which will be well below 11 per cent and below 9 per cent. We are even trying to do better than the forecast which was contained in the budget, in which we were forecasting around 8 per cent unemployment by 1987.

**Mr. Crosbie:** I will go to the Minister of Finance because the Prime Minister is bored with this subject.

## RECOMMENDED UNEMPLOYMENT TARGET

**Hon. John C. Crosbie (St. John's West):** Madam Speaker, the Economic Council wants the Government to set a five-year goal of reducing unemployment to 6 per cent or 8 per cent, and not just to accept the prediction of the Minister of Finance of over 10 per cent unemployment indefinitely. My question to the Minister of Finance is, why, once you set this goal and why, once you take measures to achieve it, will you not do what the Economic Council has recommended, instead of throwing up your hands as you have?

● (1420)

**Madam Speaker:** Order, please. The Hon. Member must address the Chair. I know it is difficult to speak in the third person, I find it difficult myself, but the Hon. Member has been in the House long enough to have acquired the habit.

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, if the Hon. Member not only knew the rules of the House but showed a little more respect for his colleagues and was less insulting towards them, he might be getting better answers once in a while.

**Some Hon. Members:** Hear, hear!

**Mr. Lalonde:** Nonetheless, I will tell my hon. friend that, very honestly, we are trying to do even better than the targets set out by the Economic Council of Canada. I have indicated that our targets in my budget forecast are around 8 per cent unemployment by 1987. We are trying to do better than that. If we can reach 6 per cent before then, we will certainly do it. We are doing everything we can and it has shown results. Indeed, in the very last few months that we have succeeded in bringing unemployment down further than had been anticipated, even by my hon. friend, as recently as six months ago. This is a record that demonstrates what we have done, and we want to do even better in the months and years to come.