

**Mr. Lambert (Edmonton West):** But the land was strong at that time.

**Mr. Turner (Ottawa-Carleton):** I want to acknowledge very frankly to the House—I always try to lay my cards on the table in their place—

**Mr. Stanfield:** Face down.

**An hon. Member:** A marked deck.

**Mr. Turner (Ottawa-Carleton):**—that I am disturbed and disappointed that the figures published today by Statistics Canada show that the seasonally adjusted unemployment rate rose moderately in December after declining during the two previous months. Certainly, this development underlines again the difficult problem we face in this country because of the rapid growth of our labour force.

In actual fact, Mr. Speaker, there were 250,000 new jobs created in Canada during 1972, which is more than the number in any previous year since 1966. In December alone, employment in seasonally adjusted terms rose by nearly 60,000 which was the second highest increase in any month during 1972. Over the year, however, the labour force rose by 260,000 and in December alone it increased by 77,000, which was the largest increase in any month last year.

For reasons that are not readily apparent, the problem in December centred mainly in British Columbia where the labour force increased substantially on a seasonally adjusted basis and employment declined moderately. In every other region in Canada there was an increase in employment during December.

To return to the review of more recent economic developments, let me point out that the sharp upward climb in food prices experienced between July and September came to a halt in the following two months,—although the threat of continuing upward pressure on consumer prices generally still remains a matter for concern. After levelling out during the summer, industrial production rebounded sharply in September and October, rising at an annual rate of more than 20 per cent. Labour income has continued to grow strongly and in October was up 11 per cent over the level a year ago.

Consumer spending has also continued to provide a major impetus to economic growth. Total retail sales in October were 11.8 per cent over the same month a year before and total sales during the first ten months of 1972 were also up by more than 11 per cent over the same period in 1971.

The fall months also brought a dramatic improvement in the trade picture. Merchandise exports in October were up 27 per cent over the level a year ago and in November they were up 24 per cent.

**Mr. Peters:** You told us that during the election campaign but the electorate did not buy it.

[Translation]

**Mr. Turner (Ottawa-Carleton):** Our economy has really picked up in the last few months but there is no denying that the recession felt last summer has left problems in its

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wake. Of these, the most acute is unemployment which is higher than it would have been otherwise, bearing in mind the basic strength of our economic progress.

[English]

**The Acting Speaker (Mr. Laniel):** Order, please. I regret having to interrupt the minister but the time allotted to him has expired. Is there a disposition in the House to let the minister continue his remarks?

**Some hon. Members:** Agreed.

**Mr. Turner (Ottawa-Carleton):** I want to thank hon. members for their courtesy, Mr. Speaker.

**Mr. Lewis:** Why don't you speak about the present and the future instead of the past?

[Translation]

**Mr. Turner (Ottawa-Carleton):** Therefore, the government came to the conclusion that more incentives were needed quickly to take up the economic slack and to combat unemployment which reaches its highest level in our country during the winter months.

In early fall, the government announced its intention to invest \$125 million to renew the Local Initiatives and Training on the Job programs to relieve once again this winter seasonal unemployment. However, when the full impact of the events that occurred during the summer months was felt this fall on the performance of the economy, the government decided to strengthen already existing programs by setting up a new \$500 million program to create jobs this winter, which will help reduce unemployment, not only this year, but also during the next two.

The new program, as well as those announced earlier, will increase federal expenditures for new job creating activities to about \$325 million this winter and will supply jobs for almost 140,000 people. To those expenditures should be added \$50 million carried forward from last year and covering expenditures for the related loan program which brings the total expenditures for job creating activities this winter to about \$375 million. Comparatively, actual expenditures last year were about \$300 million.

The basic item in the new program is the establishment of a winter capital projects fund totalling \$350 million and intended to make loans and grants available to other government levels for the financing of job creating projects this winter and over the next two years.

A new major incentive has been provided and is intended not only to encourage the provinces and municipalities to undertake job intensive new projects but also to have them carried out during the winter months. Half the total labour costs incurred at work sites, before the end of the program, will be deducted or not subject to reimbursement. But, in fact, the federal government will pay all the labour costs incurred on sites from December 1 to May 31.

We have been criticized for not launching sooner this new extended program. Had we been able to forecast the events which occurred during the third quarter we would certainly have implemented sooner the additional program. It is very easy to criticize economic policies when all the facts are known. However, those responsible for establishing policies must bear in mind indicators of economic performance which lag far behind the facts.