

in this area and, if so, how people will have to proceed to benefit from this program?

Hon. André Ouellet (Minister of State for Urban Affairs): Mr. Speaker, there was an important development this morning at the federal-provincial conference of the energy ministers. Energy ministers for Quebec and Alberta stated that they entirely subscribed to the objectives of the government of Canada in the area of energy conservation. They also indicated their desire to implement in their respective provinces energy conservation programs, which enabled my hon. colleague the Minister of Energy, Mines and Resources to declare that he could consider the possibility of having all provinces benefit from the Home Insulation Program. Therefore I think that as soon as we have finalized the administrative measures to make the program applicable to all the provinces, we will be in a position to announce officially very soon that Quebec and Alberta will also take advantage of this program.

Mr. Lambert (Bellechasse): Mr. Speaker, in view of the Quebec government's delay in making that program available to Quebecers, could the minister tell the House whether some changes will be made to the program so that more home owners may benefit from it?

Mr. Ouellet: Mr. Speaker, it must be kept in mind that this program will be spread over a period of seven years so that the market will not become congested, and particularly in order to prevent too large an increase in the cost of products if demand is unduly high at the outset. This program was spread over a number of years so that in the first months or the first year, older houses in Canada will be eligible. But nobody, wherever he lives in Canada, should feel discriminated against under this program. If his house is not eligible immediately, it will be as the program moves ahead. It appeared to us initially that it was more important to deal first with older houses, precisely those which needed to be insulated more urgently and promptly. But because the two provinces did not join the program immediately, some citizens in those two provinces who would normally be eligible and may have already purchased material could be left out. So we will determine in the next few days whether the program can be made retroactive in those two provinces for those who would normally have been eligible when it came into effect.

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● (1427)

[English]

FINANCE

SUGGESTED RE-EXAMINATION OF FORECASTS FOR 1978 AND CONVENING OF MEETING OF LEADING FORECASTERS

Mr. James Gillies (Don Valley): Mr. Speaker, my question is for the Minister of Finance and it arises from the report by the Industrial Conference Board that 17 forecasters who were reviewed across this nation have all made forecasts about the economy different from that of the Department of Finance.

Oral Questions

Given this circumstance, I should like to ask the minister whether he has instructed his officials to re-examine the forecasts they have made that deal with the economy in terms of inflation, economic growth and so on for 1978?

Hon. Jean Chrétien (Minister of Finance): Mr. Speaker, we are constantly reviewing forecasts that we make, but we have no reason at this time to change them. We have forecast an economic growth of 5 per cent for next year and a 6 per cent growth in inflation. We have mentioned those forecasts, but sometimes the forecasting game is quite difficult. For example, on October 20 I said the growth for 1977 was to be 2 per cent, and now I am proven wrong as it is going to be close to 3 per cent.

Mr. Gillies: Mr. Speaker, given the fact that 17 independent forecasters have made forecasts that are different from those of the Department of Finance, would the minister not consider that reason for re-examination of his position? I would ask the minister whether he would be willing to do two things; first of all, would he table or make public the assumptions on which his forecasts were made to parliament so that they can be re-examined and, secondly, would he consider, given the importance of forecasts in the formulation of economic policy, and given the wide divergence between public and private forecasts, convening a meeting of leading forecasters of economic activity in Canada with members of the Department of Finance so there can be a close examination of what is really going to happen in the economy next year so our policies can perhaps be more accurate than they have been in the past?

Mr. Chrétien: Mr. Speaker, I do not really see the advantage of that. I have talked to some people who agree with our figures. I do not think, because there are 17 forecasters with 17 different results that this calls for me to change our position. I suggest that we have good advisers who can make some errors just as others can. This has happened in the past because forecasting is extremely difficult. Last year the OECD and the World Bank predicted 5 per cent growth around the world and it is going to be around 2 per cent. Sometimes forecasters cannot agree among themselves. You just gave an example of 17 who cannot agree among themselves. I do not see what I would gain by having them all around the same table. We could have a good discussion but it would not change the situation.

Mr. Gillies: Mr. Speaker, I think perhaps the Minister of Finance misunderstood what I said. The reality is that 17 principal economic forecasters from leading Canadian banks and leading Canadian trade associations—every single one of them—differed from the forecasts of the government, not among themselves. Given the importance of economic forecasting for policy making, and surely the minister would agree that we could not have a worse economic performance than we have in this country in the past few years, would he not do the sensible thing and bring this group together to try to find out if they can improve economic operations? Surely, he must want to do this?