

Oral Questions

working on the referendum, we can also be meeting in this House to hear the new economic plans of the government to get the economy going. Is this government saying that it cannot even walk and chew gum at the same time when it comes to the economy of this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, the hon. member would be the first to agree that resolving the constitutional problems and bringing about a mood of consensus and national unity will have a very direct bearing upon the economic fortunes of this country. There is no question about that and I think the hon. member would agree with me.

He knows that the constitutional issue which has been in the forefront of the political agenda for the last number of months affects investment plans. Foreign investors will be watching this debate very closely and very keenly.

I am sure that he, other members of this House and all Canadians will welcome the fact that we have an opportunity now to resolve the constitutional crisis in a very positive vein and that he would be the first one out there joining us in ensuring that it happens.

Hon. Herb Gray (Windsor West): Mr. Speaker, Philip Cross, Statistics Canada's director of current analysis said about the economy, after eight years of this government: "There have never been four straight quarters where the economy has done as little as this. It's moving sideways, which is quite extraordinary for a recovery".

In the face of these facts, why does the government want to wait and do nothing for two months while the economy is drifting and 1.6 million Canadians are out of work? This is no way to build confidence in the economy of this country or its future.

If the government is serious about the country's future, why will it not present new plans to this House to get the economy going while we are working on the referendum?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, just this morning the Royal Bank of Canada predicted that the recovery will continue to gather steam for this year and move on to firmer ground in 1993.

We have had employment growth in the economy in three of the last four months. Forty-three thousand jobs have been created over that period of time and there has been consecutive real growth in the GDP in the last five quarters. The GDP is up. Consumer confidence is improving. Business confidence is improving.

I remind the hon. member that recovery is slow because the world economy is slow. The G-7 countries are projecting growth in the area of 2 per cent or less. Canada, as part of the world economy and an important trading nation within those economies, is directly affected. The signals are there. It is a slow but durable and sustainable recovery. I remind the hon. member that mortgage rates have dropped to a 35-year low in this country.

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EMPLOYMENT

Hon. Audrey McLaughlin (Yukon): Mr. Speaker, my question is for the Prime Minister.

Yesterday, Labour Day, Canada celebrated the work of the millions of workers in Canada who built this country, who work for this country. Sadly a large number of those are now out of work. In the two months that this House was in recess, July and August, 137,000 more full-time jobs were lost in Canada.

The Minister of Finance says that the fundamentals are in place. For those 137,000 people who have just lost a full-time job, added to the 1.6 million, I say this to the Prime Minister. The government talks about the prosperity agenda. Unemployed workers are asking: "Is this it, unemployment?"

When is the government going to bring in a plan to get Canadians back to work and to address the serious unemployment in this country?

Hon. Don Mazankowski (Deputy Prime Minister and Minister of Finance): Mr. Speaker, I acknowledge that unemployment is higher than we would like to see it. However, the hon. member's assertion is absolutely incorrect.

The fact of the matter is that 43,000 new jobs have been created over the last four months. There have been increases in three of the last four months.

I remind the hon. member that while there have been increases in employment there have also been corresponding increases in the labour force. The labour force grew by 12,000 in the month of August and employment