

My question is very simple. Why did this happen?

Right Hon. Brian Mulroney (Prime Minister): I believe that the Hon. Member might be making an involuntary mistake. We formally stated in the Speech from the Throne that unemployment was the most important issue confronting us. Of course, to deal seriously with unemployment, we need a healthy economy, and to have this healthy economy, someone must finally be prepared to deal directly with the deficit, and this is what we are going to do.

[English]

ELECTION CAMPAIGN STATEMENT

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Prime Minister knows that he cannot have it both ways. He knows that in the Throne Speech he said "the urgent priority", that the urgent priority was the reduction of the deficit. In the election campaign he himself indicated an awareness that if you are going to have job creation as the priority you cannot have at the same time a priority of concern with the deficit.

Some Hon. Members: Oh! oh!

Mr. Broadbent: I notice the Prime Minister's colleagues are questioning behind him. They should wait for the quotation from a statement that he made in August. In August the Prime Minister indicated his own awareness that you could not have it both ways, by saying:

Clearly, there can be no drastic reduction in the deficit until . . . the country gets back to work.

"Massive cuts," he added, "would guarantee a recession".

Why has the Prime Minister changed his mind? Why has he changed his priorities? Why do unemployed Canadians have to wait for a job?

Some Hon. Members: Hear, hear!

Right Hon. Brian Mulroney (Prime Minister): I think, Mr. Speaker, that the operative word in the quotation is the word "drastic". I think there would be general agreement that any such cuts would have the effects to which the Hon. Member refers. That is not our intention. What we are trying to do is to reconstruct an economy, to re-energize an economy, to provide durable employment for hundreds of thousands of Canadians, an economy that was too long built on the premise that where there is a problem you print money and throw it at it. That is not the way you build an economy capable of throwing off the kinds of jobs we all want for our people.

Some Hon. Members: Hear, hear!

GOVERNMENT'S PRIORITY

Hon. Edward Broadbent (Oshawa): Mr. Speaker, the Prime Minister knows that since the election not only he himself, but the Minister of National Revenue, the Minister of Finance, and a number of other Ministers I could mention have said

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that the number one priority is the reduction of the deficit. No amount of any sort of linguistic game-playing in the House now is going to disguise that reality, and I am sure when we hear the Minister of Finance on Thursday we are going to hear drastic cuts being announced to the people of the country.

• (1430)

Since the Prime Minister suggested that there will not be such cuts, will the Government maintain the priority which the Prime Minister promised in the summer, namely, that its leading priority would be job creation? Will he guarantee that on Thursday night we will not hear drastic cuts announced by the Minister of Finance?

Right Hon. Brian Mulroney (Prime Minister): Mr. Speaker, I think the best indication I can give to the Hon. Leader of the NDP is that the first step the Government took with regard to the unemployment problem was when my colleague, the Minister of Employment and Immigration, announced the proposed expenditure and allocation of some \$430 million to create jobs by the direct job-creation process.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Just throwing money at it.

Mr. Mulroney: This was required because of the state of the economy we received. However, we will be dealing with some of the structural deficiencies as of tomorrow night in a statement by the Minister of Finance which I know even the Leader of the New Democratic Party will applaud.

YOUTH TRAINING OPTION PROGRAM

Hon. Warren Allmand (Notre-Dame-de-Grâce-Lachine East): Mr. Speaker, my question is directed to the Minister of Employment and Immigration. In announcing her Youth Training Option Program yesterday, I know how disappointed she must have been with the \$27 million given to her by her Cabinet colleagues for a pilot project when she probably would have preferred something closer to the \$100 million which was set aside for the First Chance Program.

Considering the many promises made during the election campaign by the Conservative Party to place a high priority upon employment, and training for employment, how does the Minister justify a mere \$27 million for this important matter, and considering the fact that this subject has been studied and experimented with over and over again, how does she justify another pilot project?

Hon. Flora MacDonald (Minister of Employment and Immigration): Mr. Speaker, as the Hon. Member will know, we have been reviewing all programs within government to take a look at their efficacy. As he will further know, yesterday we announced that we would go ahead with the Youth Training Option Program, which is a \$27 million pilot project affecting some 4,000 Canadian youths. However, we also emphasized that our major training program for young people