

*Inquiries of the Ministry*

Is the Prime Minister now prepared to have the government support the establishment of a short-term economic forecasting unit independent of the government but receiving government support? I ask this question in view of the very bad forecasting, indeed, the disastrous forecasting which has been forthcoming.

With respect, Mr. Speaker, that is the recommendation of the Economic Council of Canada, and certainly the forecasts are questionable. I ask the Prime Minister whether he is prepared to have the government carry out that recommendation?

**Mr. Trudeau:** I do not agree with the statement in the question that the forecasting was disastrous. I would admit that in the matter of statistics one cannot arrive at the utmost precision. However, I am not convinced that setting up a department to control a department which is already engaged in short-term forecasting alongside the Department of Finance and the Bank of Canada is necessary at this time.

**Mr. David Lewis (York South):** May I ask the Prime Minister whether I understood one of his answers correctly—that the government feels no special measures are necessary with respect to unemployed people aged 25 years and over, that everything is going well for that group of unemployed and that the government is considering only the problem of teenage unemployment? Did I understand the Prime Minister to say that?

• (2:30 p.m.)

**Mr. Trudeau:** No, Mr. Speaker, the hon. member did not understand me correctly. What I said was that the forecasting we had and the budgetary measures we took were showing very positive effects as regards these other age groups, and that as regards these other age groups I saw no need at this time to announce further measures. But the figures released on Thursday did bring to light the new phenomenon of the drastic rise in unemployment of those registered as unemployed among the teenagers. That is what I answered to the Leader of the Opposition.

UNEMPLOYMENT—FURTHER BUDGETARY MEASURES TO DEAL WITH ECONOMIC SITUATION

**Mr. David Lewis (York South):** Without accepting the Prime Minister's statement last week about what the statistics mean, a statement which I think is not accurate, I should like to ask the Minister of Finance whether he has any intention to bring in a budget or budgetary measures to deal with the economic situation?

**Hon. E. J. Benson (Minister of Finance):** Mr. Speaker, this is a matter for decision by the government and of course it is under review. I should like to point out that the actual number of unemployed in the above 25 age group is 3.7 per cent among men and 2.7 per cent among women and has been declining since mid-1970.

GOVERNMENT GOALS RESPECTING EMPLOYMENT AND INFLATION

**Mr. J. P. Nowlan (Annapolis Valley):** Mr. Speaker, my question is supplementary to those asked by the Leader of

the Opposition of the Prime Minister. Last Thursday I directed a question to the Prime Minister concerning whether the government had any goals or projections and the Prime Minister answered yes to part of that question. I should like to ask a very direct question today. In view of the fact that President Nixon did present some goals to Congress in his state of the union message last week, has the government any goals—I do not want to get into disagreement about projections—relating to employment and inflation and, if so, what are they?

**Right Hon. P. E. Trudeau (Prime Minister):** Yes, Mr. Speaker, but they would be expressed in very general terms. We believe in a progressively expanding economy. We believe in the lowest possible rate of unemployment and, as the Leader of the Opposition now refers to, the idea of a just society.

**Mr. Speaker:** Order, please. Again we have six or seven members rising on supplementaries. I would suggest to hon. members that we should try to limit supplementaries to individual members, go on to another subject and eventually, I hope, return to the original question. For the moment the hon. member for Annapolis Valley has a supplementary.

**Mr. Nowlan:** Mr. Speaker, reducing some of the general terms of the answer of the Prime Minister to something a little more specific, does the government have any goal with regard to the rate of inflation and/or the percentage of unemployment which are unacceptable, necessitating further government programs to alleviate either or both of these conditions?

**Mr. Trudeau:** Yes, Mr. Speaker. What we are aiming for is the slowest possible rate of employment—

**Some hon. Members:** Oh, oh!

**Mr. Trudeau:** —the slowest possible rate of inflation—

**An hon. Member:** You were right the first time.

**Mr. Trudeau:** —with the highest possible employment.

UNEMPLOYMENT—FORECAST FOR COMING WINTER

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, I have a supplementary for the Minister of Finance. In view of the confidence that has been expressed by the Minister of Finance in the House that unemployment will continue to decline and in view of the fact that the minister has at his disposal elaborate forecasting machinery, would he care to predict to the House the level of unemployment we may expect in September and in the coming winter months?

**Hon. E. J. Benson (Minister of Finance):** No, Mr. Speaker.

**Mr. Nystrom:** Would the minister care to explain to the House why his unemployment forecasts are consistently wrong—

**Mr. Speaker:** Order, please.