

*Inquiries of the Ministry***ORAL QUESTION PERIOD****THE CANADIAN ECONOMY****UNEMPLOYMENT—EFFECT OF APRIL FIGURE ON 1971
FORECAST BY MINISTER OF FINANCE**

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, as the Minister of Finance has now had an opportunity to reflect upon the unemployment figures issued last week and no doubt has had consultation about them, I should like to ask whether these figures have changed in any way his forecast of a steadily diminishing rate of unemployment throughout the year?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker, I think this will happen over the whole year. The seasonally adjusted rate will show a decline on the basis of the whole year from the fourth quarter of 1970.

Mr. Stanfield: Mr. Speaker, may we assume from what the minister has just said that his estimate in the budget he will present in June as to the appropriate fiscal stance of the government for the balance of the fiscal year will be based upon his previous forecast and will not make any allowance for the possible significance of the figures released last week?

Mr. Benson: Mr. Speaker, of course the budget will depend upon all the figures we have seen, including this figure, up to the time the budget is produced.

**PROVISION OF SHORT-RANGE ECONOMIC FORECASTING
ORGANIZATION**

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether he is now prepared to act upon the recommendation made many times by the Economic Council that a short-term economic forecasting unit be established with the assistance of the government in order that the minister can be prevented from acting on wrong forecasts which could have serious effects for the country with respect to the budget? In addition, such an economic forecasting unit might prevent the minister from making a fool of himself.

An hon. Member: It would take more than that.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the latter might be difficult to do, as is the case with my hon. friend. However, I would say there are units in Canada doing economic forecasting. I am sure my hon. friend knows of the one at the University of Toronto where economic forecasts for the year are substantially the same as those of the government.

UNEMPLOYMENT—EXPLANATION FOR APRIL INCREASE

Mr. Max Saltzman (Waterloo): Mr. Speaker, when the figures were given the other day indicating an abnormal-high increase in the unemployment rate the minister

[Mr. Jerome.]

expressed his surprise and his ignorance as to the causes of that increase. Has he had a chance to consult with the people in his department and has he found an explanation for the extraordinary increase in the unemployment figures?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think the explanation can be found in the figures produced by the Dominion Bureau of Statistics.

Mr. Saltzman: Since there does not seem to be any explanation there at all, will the minister consider providing an explanation rather than making phony excuses to the House?

Mr. Speaker: Order, please.

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FINANCE**INCOME TAX CHANGES—REQUEST FOR EARLY
INTRODUCTION OF BILL**

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I ask the Minister of Finance whether, when he introduces his budget in June, he will introduce a full-fledged tax reform bill rather than a collection of intentions as to tax reform in the form of another white paper?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as I have indicated, the tax reform to be introduced in June will be in the form of legislation.

Mr. Lundrigan: In order to try to reduce the uncertainty in the economy at the present time, will the minister consider introducing at the earliest possible date, hopefully in the next few days, a tax reform bill in lieu of the budgetary statement in the middle of June?

Mr. Benson: No, Mr. Speaker.

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THE CANADIAN ECONOMY**REGIONAL UNEMPLOYMENT—CONSULTATION IN LIGHT
OF FORECAST DECLINE IN BUILDING PROJECTS**

Mr. David Orlikow (Winnipeg North): Mr. Speaker, may I ask the Minister of Finance whether officials of his department or of the Department of Manpower have been in consultation with the various regions in which there is particularly high employment, such as the Maritimes, concerning the prospects for the coming months because, according to reports, less building is projected there for the coming months than in recent years and therefore—

Mr. Speaker: Order, please. Perhaps the minister might be allowed to reply briefly, but when the hon. member asks a general question in which he invites the minister to make a forecast about the situation in a particular part of the country I doubt whether he should be allowed