

Oral Questions

industrial adjustments program is a very innovative and useful tool which is being applied directly to those communities about which the hon. member talks.

INDUSTRIAL DEVELOPMENT STRATEGY

Mr. Doug Lewis (Simcoe North): Madam Speaker, to the best of my knowledge, London, Ontario, is not included on that list of cities.

Employment in the manufacturing sector was down by 10,000 jobs in March, 1981. The minister will know that the Minister of Industry, Trade and Commerce has often claimed to be developing an industrial strategy for Canada. The government has been in office for a year, and it has not come forward. How much has the failure of the Minister of Industry, Trade and Commerce to present such a strategy hurt the minister's efforts to develop an employment strategy?

Hon. Lloyd Axworthy (Minister of Employment and Immigration): Madam Speaker, contrary to the assumption of the hon. member, I have found that the efforts of the Minister of Industry, Trade and Commerce to respond to the needs of industry, just as those of the Minister of Finance and all economic ministers working together in an attempt to put together a co-ordinated approach to deal with the economic issue, have been extremely helpful.

It would be worth while for the hon. member and other members of the House not to focus simply on the statistics for one month, but to take a look at the last three-month period in which manufacturing and goods producing have shown a marked improvement. We cannot take only the month of March as a measurement; we must look at the entire first quarter in which goods producing, construction and manufacturing have risen substantially.

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THE ECONOMY

FISCAL PLANS TO COMBAT INFLATION

Mr. Girve Fretz (Erie): Madam Speaker, my question is directed to the Deputy Prime Minister and Minister of Finance. The minister is well aware that inflation in Canada is going up faster than Space Shuttle Columbia. He should know that it now costs \$211 to purchase goods which in 1971 would have cost only \$100.

Does the minister have any plans for introducing policies of fiscal responsibility to deal with the complex problems of inflation, or will he remain content to fight inflation on the backs of the middle-class who are caught in a wage-price squeeze?

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): No, Madam Speaker.

INCREASE IN FOOD COSTS—REQUEST THAT PRODUCERS RECEIVE OIL SUBSIDY REBATES

Mr. Girve Fretz (Erie): Madam Speaker, the minister is also aware that the Department of Agriculture released figures which show that the cost of a nutritious diet for a family of four rose 1.2 per cent in one month. That means that the yearly increase in the cost of feeding a family of four will be 14 per cent, which is even higher than the projected rise in the consumer price index. In light of this increased burden on families, has the minister any plan to reintroduce the PC policy of allowing the producers of our food rebates on the cost of the oil necessary to produce that food so that food costs could be kept down for the consumer?

● (1120)

Hon. Allan J. MacEachen (Deputy Prime Minister and Minister of Finance): Madam Speaker, the hon. member has referred to a release of the Department of Agriculture indicating an increase in food costs. He will be aware, as well as I am, that that increase is basically due to improved returns for producers in agriculture and it is also due to shortages of various crops throughout the world. Also, future trends will depend to some extent on access to markets abroad. The movement in the food price index is caused by a number of complex factors.

I do not believe the hon. member is very consistent in asking me in his first question to practise fiscal restraint and then, in the second question, to ask me to launch a new program of spending in order to assist the farmers. That is the kind of assistance in formulation of policy that I do not need at the present time.

Some hon. Members: Hear, hear!

REQUEST FOR INTRODUCTION OF SPRING BUDGET

Mr. Bob Rae (Broadview-Greenwood): Madam Speaker, my question is for the Minister of Finance. In light of the figures released this morning by Statistics Canada which show that there are 9,000 fewer jobs in the economy this month than last, and that we have 60,000 more unemployed, and in light of the fact that the minister's forecast in his budget with respect to inflation has now been proved to be wrong by about 20 per cent, and in light of the fact that his earlier predictions that the interest rates we suffered last year were merely temporary and not a permanent feature of our economy—we have seen how wrong that prediction was—is the minister in a position to say that we should have a budget in the spring, since the constitutional fandango appears to be winding down, which will relate to the economic problems which we are facing now? With these economic problems even more serious than they were last year, is the minister willing to show the Canadian people that the government is prepared to deal with the problems which really concern the people right across this country?

Some hon. Members: Hear, hear!