

*Oral Questions*

It seems to me pretty obvious and pretty clear that this is indeed a recovery budget. It is not the kind of magic potion which the New Democratic Party would like to sell the Canadian public. It is a responsible budget which will depend upon the co-operation of all economic agents in the country—trade unions, management, Provinces, and the federal Government. I would love to be able to say that co-operation would also be forthcoming from the Opposition Parties, but I am afraid that would be too naive on my part.

● (1430)

**Mr. Broadbent:** Madam Speaker, the Minister's crocodile tears are very moving, indeed. I wish he would show the same concern for the unemployed.

## REQUEST FOR INDUSTRIAL STRATEGY

**Hon. Edward Broadbent (Oshawa):** Madam Speaker, considering that the Minister's own documents show that the number of jobs in 1983 on average will be fewer than in 1982, and that the number of unemployed will be 200,000 higher in 1983 on average than in 1982, can the Minister tell us why he did not produce for the long run, having failed for the short run, the kind of strategy which he sometimes talks about, instead of throwing money helter skelter around out there hoping that something might happen in terms of job creation? Why did the Minister not bring before the House of Commons and before the people of Canada a long-range integrated industrial strategy which would give the people in our land some real reason to hope for the future?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the budget we have put forward is indeed a budget which is looking at both the short term and the medium term. It does indeed put forward a number of initiatives which will strengthen the Canadian economy, make it more competitive, and allow Canadian workers and management to beat the competition. That is what we want to ensure. If we can put business back into business, we will be able to put workers back to work and find jobs for Canadians. That is what we want to do.

**Some Hon. Members:** Hear, hear!

[*Translation*]

## EMPLOYMENT—GOVERNMENT FORECAST FOR 1983

**Hon. Roch La Salle (Joliette):** Madam Speaker, my question is also directed to the Minister of Finance. Perhaps the Minister could clarify the part about 1983. Not long ago, the Minister of Employment and Immigration announced the creation of 29,000 temporary jobs, but the effect was nil since 47,000 permanent jobs were lost. The Minister of Finance said that he will invest \$1.5 billion this year, but it seems quite clear from his budget speech that there will be fewer jobs available in 1983. Will the Minister acknowledge that in 1983, there will still be nearly two million Canadians out of work, notwithstanding this injection of \$1.5 billion?

**Hon. Marc Lalonde (Minister of Finance):** Madam Speaker, the figures I announced yesterday were very specific. I indicated that for 1983, the unemployment rate would be approximately 12.4 per cent. If my hon. friend would care to check, I think 12.4 per cent equals about one million and a half of people out of work, which is indeed a very large number. I can also inform the Hon. Member, for instance, that thanks to the measures we announced last night, we shall be able to reduce unemployment gradually across Canada in 1983 and 1984. There will be fewer Canadians out of work in December 1983 than there are now or than there were in January 1983 and there will be fewer Canadians out of work by the end of 1984 than was the case at the end of 1983 or at the end of 1982. We shall continue to make progress in our fight against unemployment. However, I think it would be irresponsible to claim that we could rid our country altogether the tragedy of unemployment that is being experienced by both young people and adults. The aim of the budget is to take a comprehensive approach to this problem by trying to encourage the private sector to play its part in economic recovery, and that is what we intend to do. In addition, we have allocated half of the funds provided in this budget to direct aid to the unemployed through direct job creation by government programs. I feel this is a fairly balanced approach, and most of the comments I have heard since last night seem to indicate that the Canadian public is supporting the measures proposed in the budget.

**Mr. La Salle:** Madam Speaker, I have a supplementary. I would like to take the Minister of Finance at his word when he says he is going to reduce unemployment, but the Minister knows perfectly well that we have been hearing this particular refrain for four or five years, and that the same promises have been made by at least three budgets, and we all know with what results. Is the Minister prepared to confirm, for the information of all Canadians, that his budget estimates for 1984-85, in addition to maintaining a high level of unemployment, according to the document just tabled, will oblige taxpayers to pay an additional \$2 billion in taxes or income tax, and that corporations will be paying \$815 million? In his forecast, does the Minister think it is fair to make the individual Canadian, who already has trouble paying his taxes, pay twice as much as the corporations?

**Mr. Lalonde:** Madam Speaker, the Government's tax measures were announced last night, and as of October 1984, there will be a one-percent increase in the manufacturers' sales tax, and we shall be maintaining the Canadian Ownership Special Charge which is now in effect. I said, however, that we shall be maintaining it at its current level. It will not be increased, and maintaining this tax will mean nearly one billion dollars of additional revenue for the Government. However, it is not being increased and it is not an additional tax. The main additional tax is the one resulting from the additional one per cent added to the manufacturers' sales tax