

*Oral Questions*

are unemployed this month—can the Prime Minister indicate whether in fact the government is considering cutting back its programs to assist the young people in terms of employment or what measures it may be considering to alleviate this serious situation?

**Right Hon. P. E. Trudeau (Prime Minister):** The hon. member is pointing out the importance in our fight against inflation not to forget the other evil in the economy, namely, high unemployment. I can only say that the government is very conscious of these two dangers and will try to do its best to meet the desires of everyone in this country, of the government and of certain members on the other side to cut expenditures. But in doing so we will do our best to make sure not to cut them in such a way as to affect the unemployment situation adversely.

**Mr. MacDonald (Egmont):** Can the Prime Minister indicate whether, in view of the consideration that was given some time ago to the establishment of an inter-departmental committee on youth employment and participation, and in view of the continuing increase in the youth participation rate, which amounts to 52.6 per cent now, almost equal to the national average, steps are being taken to develop special programs which might increase further activity with respect to the serious and continuing social situation of the extremely high rate of youth unemployment?

**Mr. Trudeau:** I repeat that this is a problem of serious concern to the government. I am not clear—and I say so in a serious way—if the hon. member is suggesting that we find new ways of dealing with this problem and set aside OFY or if he is suggesting that we keep OFY and the other program he mentioned, the Company of Young Canadians, and add other programs. I can assure him that the problem is being seriously considered. The difficulty in all these decisions is that we do not want to increase government expenditures at a rate which all members of the House would find undesirable.

LOCAL INITIATIVES PROGRAM—EFFECT OF ANNOUNCEMENT OF ALLOCATION OF FUNDS ON PROJECTS NEXT YEAR

**Mr. Jack Marshall (Humber-St.-George's-St.-Barbe):** Mr. Speaker, my question is for the Minister of Manpower and Immigration. In view of the restraints and in view of the announcement on job creation that \$135 million would be made available to LIP next year besides the \$150 million this year, would the minister indicate if that amount is included in the estimates and what will be the result of this announcement on LIP projects for next year?

**Hon. Robert K. Andras (Minister of Manpower and Immigration):** The estimates will be available for perusal without much further delay, and I believe all the answers regarding our decisions will be given then.

OPPORTUNITIES FOR YOUTH AND COMPANY OF YOUNG CANADIANS—REQUEST FOR REPORT ON PROGRAMS

**Mr. Lincoln M. Alexander (Hamilton West):** Mr. Speaker, I should like to ask the Minister of Manpower and

[Mr. MacDonald (Egmont).]

Immigration whether he can advise the House, after having consulted with his front bench colleagues, whether in fact the Company of Young Canadians and the Opportunities for Youth Program have been efficient and viable in his view?

**Hon. Robert K. Andras (Minister of Manpower and Immigration):** Mr. Speaker, the Company of Young Canadians does not come under the responsibilities of my portfolio but rather under that of the Secretary of State. I think that OFY has been an extremely good program and we will weigh its validity and contribution in relation to other programs of this nature when we make any decisions.

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FINANCE

REASON FOR HIGH LEVEL OF INCREASE IN MONEY SUPPLY

**Mr. Gordon Ritchie (Dauphin):** Mr. Speaker, I have a question for the Minister of Finance. In view of the widespread feeling that the large increase in the money supply has contributed greatly to the domestic inflationary process of the past few years, why does the Bank of Canada continue to keep the rate at the present high level of approximately 15 per cent when the federal reserves are down to 5 per cent or a little more for the coming year?

**Hon. Donald S. Macdonald (Minister of Finance):** I would remind the hon. gentleman of the statements made by the governor in which he indicated that 15 per cent was at the upper end of the range and would not be acceptable to him. The hon. gentleman might like to read the governor's testimony in the standing committee.

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UNEMPLOYMENT INSURANCE

NUMBER OF RECIPIENTS OF BENEFITS IN HAWAII—REQUEST FOR REPORT

**Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington):** Mr. Speaker, my question is for the Minister of Manpower and Immigration. Since we have an alert Auditor General noted for his vigilance with regard to government accounts, is the minister's department keeping a record of the number of recipients of unemployment insurance and the amounts of their cheques being sent to those Canadians today reported to be seeking employment on the beaches of Hawaii in the luxury of tropical salubrity?

**Hon. Robert K. Andras (Minister of Manpower and Immigration):** Not specifically, Mr. Speaker, but I would be glad to volunteer to go to check the situation personally, on the beaches.