

*Inquiries of the Ministry*ECONOMIC COUNCIL FORECAST OF NEW JOBS REQUIRED
TO REDUCE UNEMPLOYMENT TO 3.8 PER CENT—
GOVERNMENT POSITION

Mr. David Lewis (York South): Mr. Speaker, I should like to ask the Prime Minister a question similar to the one asked by the Leader of the Official Opposition but on another aspect. Can the Prime Minister inform the House whether the government agrees with the conclusion of the Economic Council of Canada in its recent report that our country will need an additional 1.4 million new jobs in the first half of the 1970's in order to bring unemployment down to the relatively high level of 3.8 per cent, and if the government does not agree with this estimate, what forecasts has the government with respect to the number of jobs required to meet the increase in the labour force?

Right Hon. P. E. Trudeau (Prime Minister): We always took the position that the labour force was growing very rapidly indeed in Canada and that there would be a need to create a great number of new jobs. I cannot say whether the figure of 1.4 million is correct after having heard it for the first time yesterday.

REORIENTATION OF ACTIVITY FROM EXTRACTION TO
MANUFACTURING INDUSTRIES TO CREATE JOBS

Mr. David Lewis (York South): In view of the fact that the increase in Canada's labour force has been foreseen by economists and was foretold by the Economic Council of Canada in reports several years ago, may I ask the Prime Minister whether the government is considering a program to reorient Canada's economic activity away from extraction industries, which are capital intensive and produce very few jobs, to a massive expansion of manufacturing industries where large numbers of jobs could be created?

Right Hon. P. E. Trudeau (Prime Minister): Certainly we have given a great deal of attention to this problem, but it is not certain that the solution is to be found in the conventional wisdom expressed by the Leader of the New Democratic Party. It might be, for instance, that it is expansion of the service industries rather than the manufacturing industries which would be the most important in the years ahead.

Mr. Speaker: Order, please. There are obviously a large number of supplementary questions to come. For the moment the Chair will recognize the hon. member for York South on a supplementary question and then go on to other supplementary questioners.

Mr. Lewis: In view of the fact that the government headed by the Prime Minister has pursued a very bad part of conventional wisdom—

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I suggest to hon. members that the series of questions asked now might easily develop into a debate. The hon. member for York South has the floor for the purpose of asking a supplementary question. Perhaps he might do that now.

Mr. Lewis: Mr. Speaker, on a point of order, I appreciate that ministers of the Crown can refuse to answer ques-

[Mr. Trudeau.]

tions, but with the greatest respect I do not quite appreciate the fact that the Prime Minister can make debating points and that in a question one cannot refer to these debating points as being shallow and unsupported.

Some hon. Members: Hear, hear!

Mr. Speaker: It is obvious that neither the Prime Minister nor the hon. member for York South may make debating points, but the hon. member has made his debating point and so did the Prime Minister. When they are made it is a little difficult for the Chair to rule subsequently, but I simply invite the hon. member to ask a question. It is as simple as that.

Mr. Lewis: In view of the fact that the concentration on large capital expansion of the extraction industries has not produced jobs and in view of the insistence of the report of the Economic Council of Canada that in order to create jobs emphasis must be laid on domestic demand, particularly in light of the present international situation, may I ask the Prime Minister whether the government is considering fiscal and other programs to expand the manufacturing and service industries in Canada for the purpose of creating the jobs necessary?

Mr. Trudeau: The answer is that we have achieved these results. I do not have the statistics at hand but I believe that if we look over the past decade we will see that there has been a faster increase in the manufacturing and service industries than in the extraction industries.

• (2:30 p.m.)

GOVERNMENT ACTION TO BRING ABOUT INCREASE IN
PRODUCTIVITY IN CANADIAN INDUSTRY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I wish to direct a supplementary question to the Minister of Industry, Trade and Commerce. As the latest report of the Economic Council of Canada states that "productivity in Canadian industry must increase substantially if the required number of extra jobs are to be produced", does the government intend to bring this about by offering tax incentives to induce additional productivity, or is it planning on bringing this about by some other means? I ask this question now because the government has had this matter under consideration for some considerable time.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the hon. member and myself have something in common. We have both returned from long trips.

Mr. Bell: Did you have a lot of fun?

Mr. Pepin: I missed about 70 hours of sleep during mine. It appears that the hon. member did miss some too. With respect to tax exemptions or incentives my hon. friend should direct his question to the Minister of Finance, not to the Minister of Industry, Trade and Commerce.

Mr. Hees: Mr. Speaker, having held the portfolio that the minister now holds, and having had exactly the same type of questions addressed to me over several years, I would say that if the minister feels he cannot answer