

Oral Questions

we not tell them we are going to try some of the things they have tried in the United States which have cut down unemployment? Forget about entrants into the work force. Why can we not have some of those events in Canada which cut down on unemployment in the United States, so that we can put Canadians back to work?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, I cannot help the Hon. Member very much on the first question if he refuses to use his brain and examine reality. The statistics are there. They indicate that we had a much larger growth in the labour force in Canada than the United States had last year. I ask the Hon. Member to look at the figures. He should be able to understand them, even if he refuses to make the effort of exercising his mind by analysing the consequences of having a larger growth in the labour force in Canada than in the United States.

● (1120)

As to the second point he raised, I want to stress to him that indeed we have taken steps in this country to stimulate the economy. In effect the deficit itself indicates how much more the Government is injecting into the economy compared to what it has taken out of the economy.

We have announced a number of measures, particularly last year, that are now in operation, whereby we are stimulating the private sector with about \$2.4 billion in tax incentives. We are also adding significantly to government infrastructure capital expenditures, in order to stimulate construction and activity in the housing industry.

I remind him that under the Special Capital Recovery Projects we will spend over \$1 billion in federal funds this year. We have also set up a fund of \$1.3 billion for this year that will come to the help of young people in this country who are experiencing the largest percentage of unemployment at the present time.

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HOUSING**MORTGAGE RATE PROTECTION PLAN**

Mr. Doug Lewis (Simcoe North): No matter how the Minister of Finance slices it, unemployment in Canada is 11.3 per cent and rising, and unemployment in the U.S. is 7.8 per cent and going down.

Mr. Speaker, I want to return to a question I asked the Minister earlier this week with respect to mortgage interest rates. He stated that the Mortgage Rate Protection Plan will protect home owners against excessive increases in interest rates. As the House and the country will know, but the Minister of Finance does not know, that plan protects Canadians when the mortgages are renewed three and four years from now. What is he doing today to address the rise in mortgage interest rates which will cripple the building industry and prevent Canadians from buying homes?

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, the Hon. Member says that unemployment is at 11.3 per cent and rising. He must have statistics that no one else in Canada has. I suggest that he should wait for the Statistics Canada figures for next month. He might be surprised. What will he say if unemployment comes down next month? I regret that the figure is high at 11.3 per cent and I am concerned about it, but I do not think the Hon. Member helps the situation or shows that he is looking at it with any particular degree of fairness when he says it is rising. There is no evidence to that effect. Indeed, I suspect that we may have contrary results when the figures come out next time.

As far as the Mortgage Rate Protection Plan is concerned, as the Hon. Member knows it will be effective at the time of renewal of mortgages, but it will be a very effective program. It has the support of all the agents concerned, including the housing industry, the construction industry in this country, and the Canadian Consumers' Association. I hope my hon. friend will support that measure when it comes before the House.

With respect to the immediate situation, it is regrettable that mortgage rates have gone up by half a point. However, I do not think that my friend can conclude that this will cripple the housing industry, any more than a decline by half a point would have suddenly led to a huge boom in the housing industry. These movements are rather small and I am confident that we will not see them become larger.

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LABOUR CONDITIONS**PLIGHT OF JOBLESS OLDER WORKERS**

Hon. Flora MacDonald (Kingston and the Islands): Mr. Speaker, my question is directed to the Minister of Finance. He will have received a letter from the Canadian Council on Social Development pointing out that older workers, particularly adult men who are heads of families, are the people most severely hit by long term unemployment, that is, people who have been without jobs for more than a year. In fact the number of jobless in that group has more than doubled in the last couple of years.

Since most of the Government's job-creation programs are directed toward younger workers, and therefore the group I am talking about does not qualify because of age, and because their unemployment insurance benefits have been exhausted and they are literally living in despair, why is the Government not paying more attention to the plight of jobless older workers particularly when their numbers have increased so dramatically in the last couple of years?

[Translation]

Hon. Marc Lalonde (Minister of Finance): Mr. Speaker, now the Hon. Member is complaining about too much assistance for young workers compared to what is being done for older workers. I wish the Hon. Member's Party would get its act together. First, they attack us for not doing enough for