

Some hon. Members: Agreed.

Some hon. Members: No.

ORAL QUESTION PERIOD

[English]

THE CANADIAN ECONOMY

FORECASTS OF RATE OF GROWTH—EFFECT OF GROWTH ON INFLATION—POLICY FOR DECONTROL AND POST-CONTROL PERIOD

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, my question is for the Minister of Finance. Now that the minister has had time to review the 1977 economic forecasts of the Conference Board and the OECD, which indicate that our real economic growth will slow this year to the 3 per cent or 3.5 per cent range, down over 30 per cent from last year's growth rate, last year having been a rather slow year itself, can the minister advise the House whether he agrees with these forecasts and, if not, what is his own forecast for real growth in 1977?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, of course we will take into account forecasts of these kinds, along with others. My own statement on behalf of the government will be made in the context of the budget.

Mr. Stevens: A supplementary question, Mr. Speaker. As some reputable forecasting institutions, the Conference Board and Wood Gundy for example, have predicted that slow growth rates will continue into 1978, can the minister tell the House whether a slow growth policy with its resultant unemployment is part of his strategy for controlling inflation, bearing in mind that the working paper "The Way Ahead" has argued that growth itself may be a contributing factor to inflation?

Mr. Macdonald (Rosedale): Mr. Speaker, the government has stated its policy many times; it seeks to overcome the problem of inflation which has been plaguing the Canadian economy for the last several years while attaining the levels of growth necessary to meet the aspirations of Canadians. I, of course, will have an opportunity to elaborate on those particular guidelines during the course of the budget statement.

Mr. Stevens: Mr. Speaker, may I direct a final supplementary question to the Minister of Finance? Considering that the minister has made statements outside the House about possible administrative mechanisms which may be put in place when the economy is decontrolled, can the minister now tell the House what his tentative proposals are? Specifically, is the minister contemplating a price monitoring mechanism after controls and is he proposing any national consultative conference to set policies in any decontrol period?

Oral Questions

Mr. Macdonald (Rosedale): Mr. Speaker, I have engaged in discussion with members of the private sector across Canada with regard to the decontrol and post-control period. I also expect to meet both the executive of the Canadian Labour Congress and the provincial governments next week for the purpose of discussing the decontrol possibilities and those in the post-control period.

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INDUSTRY

DATE OF INTRODUCTION OF PRODUCTIVITY INCENTIVES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a supplementary question for the Minister of Industry, Trade and Commerce. As the Prime Minister has been assuring me continuously over the past two years that the government would be introducing "soon" a program of productivity incentives to be made in direct proportion to the increase in productivity so that we can lower costs and selling prices, increase volume and provide more jobs, can the minister now advise the House when such a program will be announced?

[Translation]

Hon. Jean Chrétien (Minister of Industry, Trade and Commerce): Soon, Mr. Speaker.

[English]

Mr. Hees: Mr. Speaker, as the minister's answer obviously has no more validity or meaning than the answers given by the Prime Minister over the past two years, I would ask him this question. Does he ever get a headache from keeping his head in the sand so much of the time?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

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CANADIAN NATIONAL RAILWAYS

POSSIBILITY OF SALE TO PRIVATE ENTERPRISE—GOVERNMENT POSITION

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Transport. Will the minister confirm to the House the government's intention to turn over the CNR to private enterprise. If so, will he tell us what the government means by this? Does it mean specifically that any section of the CNR that is operating at a profit will be sold off in whole or in part to private investors?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, any formal decision by the government with regard to selling shares in any part of its Crown corporations to the public will of course be announced in a more appropriate way at the time such a decision is taken. What the government has done to this point is indicate to corporations like CNR and Air Canada