

*Oral Questions*

having the largest rebound, it is only because we have had the largest fall and that we lost 595,000 jobs during that fall?

• (1120)

Is it the Minister's policy deliberately to moderate the so-called recovery and therefore worsen the statistics that I have given him? Is it or is it not the policy, what he said yesterday? Is that his policy?

**Hon. Marc Lalonde (Minister of Finance):** The policy of the Government is not to deliberately moderate the rate of recovery. The policy of the Government is to have the highest possible rate of growth with the lowest possible rate of inflation. It is essential that both be taking place together. What I have indicated is that in that process, by pursuing that very high rate of recovery, it is unavoidable that the economy will not be able to sustain as high a rate of growth as the one we have known in the first part of this year, and that we will have a steady and sustainable recovery rather than having a flash in the pan type of recovery which might last for a few months and then lead us into a situation where we would again have a surge of inflation and would be brought back into recession. Surely the Hon. Member understands that.

**Mr. Crosbie:** Mr. Speaker, we have a Minister of Finance who neither understands nor cares.

## REQUEST FOR MINISTERIAL ACTION

**Hon. John C. Crosbie (St. John's West):** I refer again to page 4 of the Minister's speech. He said he took the opposite view from those who were worried about the lagging pace of recovery moderation in the United States. He said, "A moderation of the pace is not only acceptable but helpful".

In view of the fact that we have 267,000 fewer jobs now than we had in August of 1981, and in view of the fact that only two-thirds of our industry is operating and one third of our capacity is not operating at all, when will he stop his Pinocchian exaggerations that do not deal with the facts, and do something to help the people of Canada and our economy?

**Hon. Marc Lalonde (Minister of Finance):** My hon. friend is indeed extremely selective again. I remind him that today we have 800,000 more Canadians at work than last November—

**Mr. Crosbie:** Out of work.

**Mr. Lalonde:**—300,000 more jobs on a seasonally adjusted basis than last November, and that Canada has been creating jobs at the highest rate of any industrialized country since last November.

I remind my hon. friend that if he indeed wants to co-operate in achieving a high and long term rate of growth in our country, he should push for the early adoption of—

**Mr. Crosbie:** A new Government.

**Mr. Lalonde:**—the measures dealing with the Crow rate, which will mean \$25 billion of expenditures in Canada in this decade and over 300,000 full-time, permanent jobs, which will have a very beneficial effect all across the country. We are waiting for the Tories and the NDP to wake up to this and help the country grow even faster than it has grown in the past.

## PROJECTIONS OF FUTURE GROWTH

**Mr. Thomas Siddon (Richmond-South Delta):** Mr. Speaker, I, too, would like to address my question to the Minister of Finance. The Minister's convoluted propaganda is about as ridiculous as the logic of the Russians when they accused the Americans of shooting down Flight KAL 007.

The Minister paints a very rosy picture in spite of the bleak situation involving the mining, oil and gas, agriculture and other sectors. I merely want to ask the Minister how he squares his predictions with the projections in an internal government document called "Strategic Overview for the Department of Regional Industrial Expansion 1984/85 to 1987/88". I would like to quote only one line from the document. It states:

Low levels of capacity utilization, weak balance sheets and high real interest rates will dampen business investment, at least for the first half of the decade.

How does the Minister square his rosy projections with that statement?

[Translation]

**Hon. Marc Lalonde (Minister of Finance):** Mr. Speaker, I may refer the Hon. Member to the projections made by a large number of private organizations and to those contained in the last budget I brought down in April. If the Hon. Member cares to look at the situation as it has been developing over the last few months, he will realize that today, the economic situation is more favourable than I had anticipated in the budget hardly six months ago. The performance of the Canadian economy has been better than was expected by all economic forecasters at the beginning of this year. I have great confidence in the energy of Canadians and in the production capacity of the Canadian economy. I am also confident that as a result of policies determined by the Government, in co-operation with provincial governments, the Canadian economy will experience a very high rate of growth in the years to come. I think my hon. colleague should also consider how the international community has judged the Canadian economy. He will realize that to investors throughout the world, Canada is still a very attractive country, from every point of view.

[English]

**Mr. Siddon:** Mr. Speaker, the Minister has been displaying confidence for three and one half years, but nothing has happened. He reflected on that last night when he said, "We have a long, long way to go yet."