

*Oral Questions*

happy when I see the unemployment rate go up; no more than is the Hon. Member. But we have set out a comprehensive approach to getting the level of unemployment down. That is the clear direction and clear objective of what was set out in the economic statement last November.

Before the Hon. Member gets carried away with his own rhetoric about the impact of the spending cuts, let me remind him that those spending cuts are to take effect after April 1. They have not had any impact on the economy yet.

**Some Hon. Members:** Hear, hear!

**Mr. Broadbent:** The Minister has said that they are going to take effect after April 1.

**Mr. Andre:** You just said they have already taken effect.

**Mr. Broadbent:** Would the fellow with the large mouth just behind the Minister be quiet for a second?

**Mr. Andre:** If the fellow with the finger in the air would ask his question.

**Mr. Broadbent:** The Minister has said the effects of the cut-backs will be left after April 1. That will mean one thing and one thing only, unemployment will get worse after April 1. He promised in these measures brought in before Christmas that there would be new confidence which would be felt right away.

**Mr. Clark (Yellowhead):** You are more confused than usual.

## REQUEST THAT POLICY BE REVERSED

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, consider what the Minister's Prime Minister said in August, and I quote, "Massive cuts now would guarantee a recession". So said Brian Mulroney in August. What Mr. Mulroney said in August—

**Some Hon. Members:** Order.

**Mr. Broadbent:** —is true now. Will the Minister of Finance recognize the truth of what the Prime Minister said in August, and reverse this disastrous economic policy?

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, I think the general response to the economic statement, particularly the expenditure cuts announced on November 8, was that they were a measured, moderate approach to a most serious problem, that is, the level of the federal government's deficit, a deficit which is causing problems in capital markets because it forces up interest rates. We are trying to demonstrate to Canadians that we want to get control of that deficit so that interest rates will come down, not overnight, but we have made some very good progress since September 4, and we will make greater progress as time goes by.

**Mr. Broadbent:** The reality, of course, is quite different from what the Minister says. Interest rates are going up, not down.

## DELIVERY OF JOBS

**Hon. Edward Broadbent (Oshawa):** Mr. Speaker, the Minister's Government produced figures two days ago, not the Opposition but his own Government, and the composite index said the situation for the next few months is going to get worse, not better. They are not talking about one day, or one week, or one month. They are saying the months ahead are going to get worse. In the last 24 hours we have seen the dollar reach a record low, and interest rates go up a full half percentage point. Most alarming of all, we have seen today an increase in unemployment of 167,000.

**Some Hon. Members:** Order.

**Mr. Speaker:** The questions are becoming very long again. I would appreciate it if the Hon. Member would ask his supplementary question.

**Mr. Broadbent:** I will come to the point, then. Considering these figures in the last 24 hours, as well as the negative projections, will the Government change its policies and deliver what it promised, namely, jobs?

**Some Hon. Members:** Jobs!

● (1130)

**Hon. Michael Wilson (Minister of Finance):** Mr. Speaker, the simple answer to the question is no, we are not going to change the economic policy, because that economic policy is clearly accepted in a positive way by Canadians.

**Some Hon. Members:** Hear, hear!

**Mr. Wilson (Etobicoke Centre):** The reality is that interest rates have been coming down every week since September 4. There have been two weeks in which interest rates reversed. I think that is a very good performance.

I should draw to the Hon. Member's attention one thing that the Statistics Canada commentary said about the leading indicators. It said that they demonstrated somewhat of a slow-down, as I indicated in the economic statement. There is no surprise there.

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## ADMINISTRATION OF JUSTICE

## PREMIER'S TRIAL—BRIEFING OF MINISTER OF JUSTICE

**Hon. Bob Kaplan (York Centre):** Mr. Speaker, in the absence of the Minister of Justice I will direct my question to the Solicitor General who, I believe, is the Acting Minister of Justice. The country remembers that in the Morgentaler case in the Province of Ontario the Attorney General of Ontario,