

Did the Minister sit in silence, knowing that Canadair and de Havilland were spending public money like an intoxicated millionaire?

Negligence, and perhaps dishonesty, are written all over this loss of millions of dollars. I say that Senator Austin must resign and, if he does not, the people of Canada will want to know what the Prime Minister (Mr. Trudeau) will do about it.

ORAL QUESTION PERIOD

[English]

LABOUR CONDITIONS

UNEMPLOYMENT LEVELS—MINISTER'S FORECASTS

Hon. James A. McGrath (St. John's East): Madam Speaker, in the temporary absence of the Minister of Employment and Immigration, perhaps I will direct my question even more appropriately to the Minister of Finance. The Minister knows that unemployment in the United States is now down to 10 per cent and is expected shortly to break that double digit level. Yet, earlier this month Statistics Canada released figures showing that for ten consecutive months unemployment in Canada exceeded 12 per cent. On behalf of two million unemployed Canadians, a million of whom are now classified as long-term unemployed, I want to ask the Minister whether he is in a position to revise the very pessimistic projections in his budget where he saw double digit unemployment going beyond this decade. Can he give us any hope?

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member is certainly confused in his signals. He referred to double digit inflation.

Mr. McGrath: I meant double digit unemployment.

Mr. Lalonde: He meant double digit unemployment. The forecast which the Hon. Member has read as part of the budget indicated that we would be taking unemployment down gradually during the next four years to below the double digit level referred to by the Hon. Member. But I remind him that for seven months in a row we have had increased employment in this country. At the present time there are 330,000 more people employed than last November. The recovery, according to all the information we have been receiving, seems to be taking place in an even stronger rate than we anticipated.

Certainly the Hon. Member has noticed the leading indicator of Statistics Canada which in March had its largest increase since the early 1950s. Indeed it seems to be indicating that we will have and know a very strong recovery in this country as well as in the United States. I certainly expect that as unemployment levels in the United States decline they will also decline in Canada.

Oral Questions

PLIGHT OF UNEMPLOYED

Hon. James A. McGrath (St. John's East): Madam Speaker, my supplementary question is directed to the same Minister. The Minister knows that there are a million Canadians now who are classified as long-term unemployed. He also knows from his own statistics that unemployed heads of families have risen by 100 per cent. These are very frightening statistics, yet he talks about economic recovery.

How can the Minister stand in the House and talk about recovery when there are two million Canadians unemployed, when there are a million Canadians who are classified as long-term unemployed, and when there are a half million young people who cannot find jobs? Let him tell these people where the economic recovery is.

Hon. Marc Lalonde (Minister of Finance): Madam Speaker, the Hon. Member may refuse to look at the whole reality, but the facts are there for him to see that recovery is taking place strongly in the country. We have created 300,000 jobs since last November. This is a critical record compared with any industrialized country at the present time.

I remind my hon. friend that unemployment is very high in other industrialized countries at the present time. We have been going through a recession the like of which we have not seen since the Great Depression. This has been the case for all industrialized countries. A number of countries in Europe at the present time have more than 12 per cent unemployment. These are countries which historically had much lower levels of unemployment than Canada.

The Government and I are very concerned about the level of unemployment. We have announced a number of measures that were contained in the budget, in addition to those the Minister of Employment and Immigration has announced. We are spending in this country at the present time record levels in terms of support for direct employment, job training, and recycling. This is the record of the Government. We have shown our care for the unemployed in the country and not only involved ourselves in rhetoric.

STUDENT UNEMPLOYMENT

Hon. James A. McGrath (St. John's East): Madam Speaker, my supplementary question is directed to another Minister who has responsibility, the Minister of Employment and Immigration. The Minister knows that the unemployment rate for non-returning students between the ages of 20 and 24 is currently 31.6 per cent. The unemployment rate for returning students is 20.7 per cent which, I might say, is an increase of 75 per cent over two years. What hope does the Minister have for these kids out there who have no place to go but to take to the streets?

● (1420)

In the estimation of a sociologist at the University of Montreal, "Collectively we may see political riots and disturbances from a group that feels left out". Obviously they feel left