

*Oral Questions*

training program, which will probably involve between 12,000 and 14,000 young people, is another direction we are taking. So we are moving on a number of fronts, not just under the Young Canada Works program.

[Translation]

**Mr. La Salle:** Mr. Speaker, I think I should rephrase my question to the minister. Given the present unemployment rate, it is self-evident that students will not be able to find summer jobs. I also believe that the minister is sufficiently responsible to understand the importance of a job for these students if they are to pursue their studies next fall. Furthermore, as I am satisfied that the funds earmarked for this endeavour are quite inadequate, I would like to ask the minister if he is at least prepared to recommend to the minister responsible to allocate additional funds so that a reasonable minimum number of students will be able to find work this summer?

[English]

**Mr. Cullen:** Mr. Speaker, it is certainly not correct to say that young people will not be able to get work this summer. In fact, they will be able to work. Where we have run into particular difficulty, as in the Sudbury area where Inco normally hired some 1,500 students, we have made funding available to meet the particular needs. But, as I have indicated, simply putting out a lot of money for a project which may bring discredit on a program is not acting in the best interests of either the young people or of a particular program which could be made to work on their behalf. I want to look at this aspect carefully, to make certain that we are making good use of the money and not simply wasting it on being seen to do something when, in fact, nothing is being accomplished.

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### THE CANADIAN ECONOMY

#### SUGGESTED REAPPRAISAL OF GOVERNMENT'S FISCAL POLICIES

**Mr. Sinclair Stevens (York-Simcoe):** Mr. Speaker, my question is directed to the Minister of Finance. In view of the fact that unemployment in Canada amounted to about 300,000 ten years ago, was 500,000 four years ago, has now passed the one million mark, and is likely, at the present rate of escalation, to hit the 1.5 million mark some time in the early 1980s, would the minister tell us whether he does not feel there should be a complete reappraisal of the government's fiscal stance in light of such alarming and rising unemployment in this country?

**Hon. Jean Chrétien (Minister of Finance):** Mr. Speaker, we have discussed these matters with the provinces and have tried to reach a common approach to economic policy in this country. Some of the provincial governments are presenting their budgets at this time. We had a review of the fiscal stance of the government when on October 20 last I made an economic statement in this House, which some hon. members

[Mr. Cullen.]

called a mini-budget and others called a budget. When I feel the time has come to present another budget, we will present one. But I do not feel the time has yet arrived to do so. I feel we should wait to see what effect the \$3 billion tax cut which came into force on January 1 has on the economy.

**Mr. Stevens:** Mr. Speaker, the Minister of Finance continues to say we must wait. On May 25, 1976, the then minister of finance said unemployment would decline. On March 31, 1977, the then minister of finance stated he anticipated 5 per cent real growth and that unemployment would decline. In his October 20 statement, the present Minister of Finance said, "I want sustained growth of between 5 per cent and 6 per cent in order to bring unemployment down." Mr. Speaker, my question to the minister is: How can three budgets be so wrong? How can they be so wrong at the expense of the unemployed in this nation?

[Translation]

**Mr. Chrétien:** Mr. Speaker, the hon. member obviously selects certain statistics and forgets to mention that, last month, the Canadian labour force increased by 3.1 per cent, that 100,000 new jobs were created in Canada in a one-month period and that there were 100,000 more people at work. Of course, people have confidence in the Canadian economy, as the Minister of Employment and Immigration said, because they join the labour force in increasing numbers, and this month, the labour force participation rate reached a record level of 62 per cent.

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[English]

### INDUSTRY

#### MEASURES TO REDUCE UNEMPLOYMENT

**Mr. Lincoln M. Alexander (Hamilton West):** Mr. Speaker, I would like to address a question to the Minister of Industry, Trade and Commerce. It seems to me that the government's policy in so far as the unemployed are concerned is not to create jobs but to go to the country: ministers opposite do not appear to accept responsibility for creating jobs.

The industrial heartland of the country is being adversely affected, as these figures show: in Oshawa-Peterborough, the unemployment rate is 10.6 per cent; in Windsor, 10.6 per cent; in Barrie, 10.7 per cent; in Sudbury, 10 per cent; in St. Catharines, 12 per cent. Noting that this country is about to become a banana republic because of total ineptness in the management of the economy—

**Some hon. Members:** Question.

**Mr. Alexander:**—and given the fact that in the last quarter of 1977 there were some 1,050 business failures and that in the last quarter of 1976 there were 761, what specific steps does the minister intend to take to reverse this significant trend, one which is dangerous to the viability of the economy?