

conditions represent for our economy; and if we are to succeed, we must create a climate of confidence and cultivate tolerance and ideals instead of prejudices and pessimism. Thus, I believe we shall build a strong and beautiful country in fulfillment of the aspirations of the young we want to serve.

[English]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the motion before the House this afternoon places the emphasis on the requirement of the government to change its economic policies which are contributing to the growing rate of unemployment. This does not mean that it must change all its economic policies, but certainly most of them. There is no question—and the government and the apologists for the government party will admit this—that unemployment this year is much more serious than last year.

The figures before us do not take into account that vast wave of university and high school students which will soon descend upon the labour market. In fact, the university students are there now but the statistics are late. Wait until we see the next statistics. I am wondering whether those people who drowse so comfortably on the government benches and ignore this problem will then bestir themselves into thinking there is something radically wrong.

I had to laugh, Mr. Speaker, when listening to the hon. member for Trois-Rivières (Mr. Mongrain) going back to 1960-61 and trying to quote statistics. If he had been here then—in fact, before that time—he would know it was the bounden duty of the members of his party who were here before him to constantly pound on this question of unemployment and the government's policies. But the unemployment of that time came upon us with the 1957 election. It had been forecast. There was a recession in the United States—not as bad in Canada as it was in the United States but it was there.

When I was elected to Parliament in 1957 there was a housing crisis and a housing funds crisis just as serious as it is now. One hundred million dollars had been left lying completely idle in direct loans: no direct loans were being made at the time. We did not have to amend the act, but I remember that housing construction had come to a complete stop by June, 1967. We are now experiencing a fantastic decline in housing starts.

It must be remembered that while there was, regrettably, high unemployment in 1958-

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59 and 1960, steps were taken and great deficits were incurred by the government to alleviate its effects. Steps were taken when the levels were below what they are today. The trouble is that the government exhibits a form of confidence that all is well, that one does not have to act until there is a crisis. But we have had a crisis reaction to inflation during the past 18 months. *Hansard* will show speech after speech going back five or six years, warning the government of the creeping inflation that has been allowed since 1964; the easy money policy and the budget inflicted upon this country by the former member for Davenport—all these things. When the Secretary of State for External Affairs (Mr. Sharp) was Minister of Finance, he told us that all was well and we had the best of all possible worlds. Then, of course, inflation came along and we had the crisis of February, 1968, which seemed to shake the government up a bit. But they overreacted, so we have had surtaxes which have increased inflation because wage demands increased to take the surtaxes into account.

We have had monetary restriction. The government allowed credit expansion to go up, and then of course it had to go back much further. Naturally, the results are much more emphatic, much more difficult to resolve. Our friends to the left seemed to reach for some Never-Never Land of a totally planned economy. They say that the Leader of the Opposition (Mr. Stanfield) was talking about a planned economy, that you could keep a certain plant open. But he was not talking about a planned economy in that sense; he meant a controlled economy in which an uneconomic plant is kept open.

Of course, the problem of unemployment is solved: there will be many people running around pushing paper, trying to figure things out and correcting the maladjustments resulting from excessive planning. I remember all those people who in Great Britain in 1946 suddenly joined the public service to bring in a Socialist Utopia. The Chancellor of the Exchequer said that they were engaged in economic planning production. A great deal of it was thrown out afterwards. I was there. The only point is that the most fantastic amount of bureaucracy has to be erected to control all this planning. That is the way I suppose one cures, to a certain degree—

• (4:20 p.m.)

An hon. Member: It would be the same thing in Canada.