

Anti-Inflation Policies

grown so much that all the produce cannot be sold. Inflation is not something to be bandied about. If we look at the figures for the past 13 years, Mr. Speaker, we see that since 1958, in Canada as a whole, unemployment in March has equalled or exceeded its present level—I am talking about the unadjusted figures because some people do not seem to understand the implications of the adjusted figures—eight times during those 13 years. In March 1961, it was 11.2 per cent, a lot worse than it is now.

In the Atlantic provinces as a whole, and I know Newfoundland has had the worst experience of all of them, in ten of the last 13 years the unemployment situation was worse than it is today. In the Atlantic provinces in March, 1958, the unemployment figure was 19.8 per cent. I am not bandying these figures around in order to get the government out from under its responsibilities, but I am trying to say it is dishonest to couple the fight against inflation with the fight against unemployment. These figures prove the exact reverse, that unemployment is a thing that has been here for a great deal longer than the fight against inflation has been in progress.

It does not appear that the fight against inflation has caused much unemployment in the areas that are most in trouble at the moment, but the figures do suggest that regional economic expansion and manpower retraining policies have been badly needed for a long time, and are still badly needed, and that they are appropriate to getting—

Mr. Lundrigan: Would the hon. member permit a question?

Mr. Osler: When I have finished my speech I shall be glad to accept a question from the hon. member. The policies that the government is trying to follow in the areas of manpower training and regional expansion are an honest attempt to get at the root causes that have been there for a long time, and which still persist today. It is perfectly fine for members of the opposition parties to say that the particular way in which the government is attacking these problems is something with which they disagree. That is their privilege and prerogative, but I resent their suggestion that there is something sinister, arrogant or what have you about what the government is doing, or that the government is doing nothing.

I would like to repeat what other people have said, that the choice is not between inflation and unemployment, it is between the

[Mr. Osler.]

level of unemployment that we have now and the level that we will have if we do not fight inflation. The situation we have got now is bad and we have to improve it. We are trying to improve it. If we do not persist in the fight against inflation it will get a hundred times worse, and as we price ourselves out of world markets we will have nowhere to sell anything. We depend on world markets to a greater extent than many other countries.

The timing of the use of controls to fight inflation again is an area where people may have genuine differences of opinion. It is perfectly honest and honourable for someone to say, "Now is the time to take them off," or "Now is the time to put them on." As the Minister of Finance pointed out, the Conservative party financial critic last November was saying his worry was not about what the Minister of Finance was doing, but about what he might not do. He was advocating, "Don't underkill. Don't take off your restrictions. Don't stop this fight against inflation." That was only in November. He may feel differently today, I do not know; he has not said. But my point is that it is a matter of an honest difference of opinion between people who are frankly looking at the situation and trying to see what can be done about it. But again there is nothing arrogant, deceptive or dogmatic about the way this government is conducting this fight.

● (5:10 p.m.)

I know that people find it difficult to accept adjusted and unadjusted figures. If you compare things annually, there is no need to use adjusted figures, and I have not done so until this moment. If you compare things on a less than an annual basis, you have to use adjusted figures in order to get a fair comparison. This is perhaps open to question, but Mr. Braithwaite of the *Globe and Mail* in his "Report on Business" wrote on April 23—

Mr. Muir (Cape Breton-The Sydneys): Why don't you quote from a Wall Street journal?

Mr. Osler:—that of all the unemployed at present—which I agree is too high a figure and usually is too high—perhaps 12,000 are out of work because of the inflationary policy, and the rest are out of work because of regional problems, seasonal problems, etc. I suggest again that we do ourselves no service by sloughing over the regional and seasonal problems. In my own part of the world, all building used to come to an end in the winter time. I do not know where we got our know-