

The Address—Mr. Trudeau

Mr. Trudeau: Rather than once again trying to jump from one subject to the other in order to go into all the areas which the Leader of the Opposition has led us through, I will try to divide the remarks I have to make into two areas, the economy first, and then the subject of national unity.

The Leader of the Opposition submitted that on unemployment and on inflation in particular this government has a great deal of explaining to do, and I propose to give those explanations in the course of the next few minutes. On unemployment the Tories say that they would put Canada back to work. Well, the simple fact is that Canada has not stopped working. Canada has created more employment in the past ten years than any other industrial society.

In each of the past ten years we created an average of more than a quarter of a million jobs, and that rate is unequalled anywhere in the industrialized world. Let me give some figures. I have several to give. I would say that they concern the 15 most industrialized countries. They concern those countries with which we do about 90 per cent of our trade. Therefore, they are the most important countries. They do not include Kuwait and Bahrain, but they do include the countries with which we do 90 per cent of our trade, by and large.

These figures are OECD figures and, when possible, I have taken the period from 1968 to 1977. In some cases the OECD figures are not provided for 1968 and 1969. In those cases I start in 1970, but we do know the Canadian figures, and we do know that the tables would be even better if we had the figures for all the other countries because Canada did well indeed in those first two years, 1968 and 1969.

● (1622)

Percentage change in employment from 1970 to 1977, Canada, rate of growth in employment: 23 per cent. The next closest is the United States with 15 per cent, then Australia, and then those countries about which we say a great deal of good and which are sometimes named as models for Canada. Sweden is at 5 per cent as compared to our 23 per cent; Japan, 5 per cent; West Germany, minus 6 per cent; and Switzerland, minus 11 per cent. Probably they rank very high in terms of the standard of living. The reason is very simple; not only did the number of jobs not grow in those countries but it was actually reduced by 5 per cent or 11 per cent. Why was that? For the very simple reason that workers in those countries, who came from Turkey, Portugal, Spain or Yugoslavia, were sent back home when the economy slowed down, so naturally there were fewer unemployed in those countries, the governments did not need as stimulative an economic policy and therefore were better able to protect their currency.

The Leader of the Opposition understands, I am sure, that if that were the situation in Canada, if we could actually reduce our work force, it would be relatively easy to show a better exchange rate. But when we must find jobs for the fastest growing labour force in the world, it is a different problem from that in the countries I have mentioned. Therefore, Canada, in terms of the employment growth rate, is the best in the world. That is true for those seven years and it is equally

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true if we take the difficult years of the post OPEC crisis from 1974 to 1977. We still lead the world in terms of job creation.

Let us consider the rate of growth of the real domestic product. In that respect Canada is third. The annual average between 1968 and 1977 has increased by 4.5 per cent a year. Ahead of us are Japan and France; we come third before Germany, Australia, Finland, Belgium, Italy, Switzerland, Sweden, and the United Kingdom. If we take the three difficult years, from 1974 to 1977, we see that Canada comes second just after Norway.

Let us consider the growth in industrial production which shows that Canada has been at work these past years. In industrial production the OECD base year is 1970. In the percentage increase we come second, right after Norway. Norway is at 38 per cent; we have a 32 per cent increase in industrial production since 1970. What has happened? We have grown very fast, we have a faster job creation than any other country, but still we have an unacceptably high unemployment. Thank heavens it has not increased since the month of June, but it is still much too high, that is certain. Why is it too high and what can be done about it? Once again this is where you should not use your imagination but rather your reasoning.

If you look at the rate of growth of the labour force, you will find that between 1968 and 1977 of all the countries in the world Canada's labour force has grown the fastest. We are followed by the United States, Norway, Australia. Sweden's rate of growth in the labour force is down at 10 per cent as compared to our 33 per cent; Japan is at 7 per cent; once again Germany has a negative growth rate and so has Switzerland. Therefore, even though we created jobs at a faster rate than any other society, our labour force has increased faster than in any other industrial society, so naturally the result is a high rate of unemployment.

It is said sometimes that the government could have foreseen that. Obviously this situation is due to three things: it is due to the birth rate. After the Korean war there was a baby boom. We knew that all these young people would be coming onto the labour force in the 1970s. Second, it is due to the immigration rate, and we are happy to continue to receive immigrants in this country.

Some hon. Members: Hear, hear!

Mr. Trudeau: Third, it is due to the participation rate. I am careful not to use the word "falsehood", but once again there is lack of understanding. When we talk about the participation rate and we say that more young people and more women are entering the labour force now than in a previous societal state, we are not judging, we are not saying they should not, we are just describing a reality, we are just saying that more women now are second workers in a household and that younger people are entering the labour force sooner. This explains why the employment force has gone up faster. This is not a judgment and we are not proposing to change this. As a matter of fact, just look at this side of the House, Mr. Speaker, and