

Government Organization

that when the Liberal government took office in 1963 there was a great deal of fuss regarding the setting up of the Department of Industry to encourage economic growth. Many of us pointed out then that unless it had enough financial resources and unless it was the fulcrum for a series of other policies it would be useless. The government has now taken the Department of Industry and laid it to rest along with the Department of Trade and Commerce.

The government then introduced a series of measures to help the underdeveloped areas of Canada, particularly the Atlantic provinces. They set up the Atlantic Development Board, the area development agency, the fund for regional economic development, and Devco to bolster the declining coal industry in Cape Breton. Members of this party pointed out that the designated area program had a formula which was irrelevant, unrealistic and would be of little value. We pointed out that the multiplicity of unco-ordinated agencies which had been set up by the government would result in confusion and sterility.

After all this time the Minister of Forestry and Rural Development (Mr. Marchand) has now told the people of Canada that in these programs \$1 billion of the Canadian taxpayers' money has been spent and about half of it has been wasted. That is quite a confession. As Mark Twain once said, confession may be good for the soul but it is bad for the reputation.

Then there was the war on poverty which was launched with the blowing of bugles and the beating of drums, but the government lost that war without ever firing a shot. Anyone who reads the fifth annual review of the Economic Council of Canada will realize how badly the government lost that war. In this country, with all the rich resources we possess, one-fifth of our people are living in a state of poverty and another one-fifth live in a state of deprivation.

Some of us will recall that when the government removed manpower training from the Department of Labour and set up the combined Department of Manpower and Immigration it said this was going to solve the problem of unemployment. I must say that the program was well conceived, but it failed in its objectives because of a lack of an adequate placement program and the lack of adequate machinery for ascertaining the needs of industry. The result is that in the past few months I have met scores of men who were trained under the manpower training program and who find it impossible to get

employment in the work for which they were trained, so that we have merely substituted skilled unemployment for unskilled unemployment.

• (4:00 p.m.)

We remember how the government launched a program to solve the housing crisis. A former minister of labour, Mr. Nicholson, was given this as his special task. Housing conferences were held all across the country culminating in a great housing conference in Ottawa just a little over a year ago—

Mr. Knowles (Winnipeg North Centre): Culminating in his going to Victoria.

Mr. Douglas (Nanaimo-Cowichan-The Islands): The effectiveness of that attack upon the housing crisis can be shown by the fact that last summer the government set up a task force to deal with housing. It became known as the travelling circus, and after spending thousands of dollars of the taxpayers' money it brought forward only one really serious recommendation, namely, that the government should remove the 11 per cent sales tax on building materials, something which the opposition had been trying to tell them for the last five years, and at no charge at all. The only proposal that came out of the task force's efforts was immediately shot down by the Minister of Finance (Mr. Benson) who said he had no intention of removing the sales tax from building materials. Apparently Hellyer proposes and Benson disposes. To revise the old saying, Hellyer hath no fury like a woman scorned.

I am not criticizing the idea of reorganization. I am pointing out that these reorganizations of departmental responsibilities may have been admirable in themselves but that they failed for the lack of any over-all planning and because the government did not allocate to them the resources necessary to make them effective.

The inevitable fact is that the government has never seriously adopted the goals which were set out by the Economic Council of Canada in its various reports. Starting with its very first review in 1964 the Economic Council began to delineate objectives toward which the country should move. The major goal they established is that we must have a maintenance of economic growth and full employment. They suggested three things which had to be done if we were to meet that goal. First, they recommended a growth rate