

The press has stated that unemployment insurance is going up to \$100 a week. This sounds good to the labouring man, but this is only true of those who are earning \$7,800 or more per year. In fact what will happen is that unemployed persons will really draw about two-thirds of their weekly income up to a limit of \$100 per week. This insurance benefit will be taxable, so it follows that the employees are being fooled again.

Under Bill C-229 a new class of employee becomes insurable, such as teachers, army personnel, firemen, policemen, federal civil servants. The self-employed still have no protection. About 70 per cent of teachers are women. Bill C-229 contains a clause covering maternity. Women will be able to teach for a time and have their families while on the government payroll. After two weeks the mother will become eligible for benefits for 15 weeks.

It is quite obvious that the Government is beginning to rationalize what has become a serious condition of unemployment, by accepting the reality of unemployment and proposing to deal with the situation as if it were a natural one, by setting up permanent substitute measures, unemployment insurance, welfare, manpower training and pension plans.

On May 16 last the Prime Minister had this to say:

Who caused unemployment? No government, certainly not my own, and I don't know of any government in the world which would be satisfied with high unemployment, and I know of no government wanting deliberately to create unemployment. I mean, I can't even conceive that serious people across the land are making that accusation: that a government would deliberately go out to create unemployment. You know, people are such villains that it is inconceivable that they would be allowed to exist.

These are rather strong words. The Government's effort is a kind of blind searching after a formula by which a universal guaranteed annual income can be achieved. Perhaps it is true, depending on the attitude of local welfare officers and officials, that a guaranteed annual income is already in effect for those who know how to fight and connive for it, because no one can deny that discrimination is rife under the present system. Bill C-229 is a good example of this. Large segments of the Canadian population are discriminated against—all those who do not work for employers, all self-employed farmers and salesmen, independent loggers, housewives. A father cannot put his son under unemployment insurance benefit, but the father can have an unemployed son. Surely if the Government is prepared to take care of every person from the cradle to the grave, as in fact it is under many policies, contradictory, overlapping, wasteful, expensive to administer, would it not have been better had the Minister of Labour brought in, instead of Bill C-229, a modern, comprehensive proposal to institute a guaranteed annual income policy, a proposal to supersede the various welfare programs, including those surreptitiously administered by Manpower, unemployment programs and many pension programs? These could all be replaced by a guaranteed annual income program, which

would decimate the ranks of the public service, and thus generate a good proportion of the income necessary to implement it. This annual income would, of course, be a substitution for, not in addition to, the various on-going programs. Nobody knows what effect such a program would have upon productivity, but productivity already suffers through current programs.

A more pertinent question would be: can this country afford to place ever-increasing emphasis on social programs designed to improve the effect of unemployment rather than coping with the evils of unemployment itself? There is a direct connection here. The present course of government is to syphon off by taxation the funds to finance these social measures instead of permitting such funds to remain in the hands of the enterprisers and risk capital which could generate employment.

The big question is: where will the Government policies lead us? Will not current policies result in more and more unemployment? The 11 per cent sales tax may have to go to 22 per cent. Income tax may have to go up again to satisfy the bottomless pit of government spending.

In a recent debate on this matter in the other place the member for Waterloo had a very definite comment on this point. He said:

I am very suspicious of governments which hand out welfare and try to cover up welfare with economic policies that are mad.

The economic policies of this Government have gone mad.

There is no substitute for full employment. This is where our emphasis should be. There should be jobs for those who are able to work. Of course, there should! The prime function of government is to provide and maintain a climate in which employment can function, not to promote alternatives and palliatives. The Government should be dealing with the root cause of unemployment rather than spending much of its time and energy, and the time of hordes of public servants, combatting the effects of unemployment rather than its causes.

Surely some of these root causes are not too difficult to identify. Excessive taxation is one. The salaries paid to the commissioners for not producing the report of the B & B Commission, the money and time spent on the Special Senate Committee on Mass Media and on the Special Senate Committee on Poverty, and refitting the *Bonaventure*—these are examples of some of the expenses that cause high taxation which helps to keep Canada out of the world markets we should have.

Rather than pay men and women to walk the streets and travel the country living in hostels, perhaps what the Prime Minister said could be right:

We could make sure that the unemployed in Canada is much lower if you were to allow us to send you, or your young children to work where there is work in Canada. And there is indeed a lot of work in Canada which is going without being filled. Several members of Northern Ontario have told me... any number of young people who want to go and find jobs up there in the mines, they can find