

*Unemployment Insurance Act*

I think the government has been most reluctant to admit that there has been any substantial increase in unemployment. However, they have had to recognize this on this occasion and now they have brought in this amendment.

I remember that last session the Minister of Labour went to great lengths to disprove the statements made by some of the labour unions in this country as to the extent of unemployment. He questioned the figures which they had used and gave his own particular figures in an effort to point out that the unemployment problem was not as serious as some of us were trying to indicate. Certainly this is an admission on the government's part that the unemployment problem is becoming serious. Believe me it is becoming serious for that portion of our population which is affected.

As I said a moment ago, this increase in the supplementary benefits will be some improvement but it will help only those who are qualified to receive regular benefits. As the last speaker pointed out, there are a great many people in this country who are seasonally unemployed and who have exhausted their unemployment relief payments. It is true that there is going to be a minimum period of 60 days during which they can receive supplementary benefits and this is something new in this type of legislation. While this 60-day provision will be of assistance it certainly will not take care of the problem of feeding the families of the unemployed after that period has expired.

This will be only a palliative. It will not be a solution to the problem. The Canadian Congress of Labour recognized that quite fully in November when they made their presentation to the government with regard to unemployment. They stated in their brief:

What we ought to do is put money into the hands of people who will buy what we can already make and can't sell.

It seems to me that in that instance labour hit the nail on the head.

**An hon. Member:** They usually do.

**Mr. Johnston (Bow River):** Yes, they usually do, but unfortunately the government never seems to give too much consideration to the worth-while suggestions which are made to them.

**Mr. Knowles:** Even when they are hit on the head.

**Mr. Johnston (Bow River):** This is one of the real needs to be considered. Our problem should be not merely to amend the legislation to get these people over a difficult period; the policy of this country should be

changed in such a way as to eliminate unemployment if possible, or, if not to eliminate it, to reduce it most substantially.

When the Canadian Congress of Labour suggests that we should put money into the hands of those who need it so that they can buy the goods that we are producing but cannot sell they are in fact suggesting the very thing that Social Credit members have suggested and contended for some years past. If we would supply our people with the required purchasing power to buy those goods which we are now making and cannot sell—let me emphasize that—if we then would go further and provide employment by additional public works, if we would increase the purchasing power of the people by a reduction in taxation, then we would be doing something to help these people to help themselves.

No one in this country wants to receive unemployment insurance: there is nobody in this country who wants to receive supplementary benefits unless it is absolutely necessary. They would far rather have an opportunity to earn a livelihood. That is what the Canadian Congress of Labour meant when they said that what we should be doing is to put purchasing power in the hands of these people so that they could buy the goods that we make but cannot sell.

We have only to look around us to see that we are producing goods that cannot be sold. It is true that something better than 8 million is going to be spent in the form of these special benefits in addition to what has been spent already. That will be of some assistance, but when that has been spent we will be right back to where we were before. I think the government should come to the conclusion that this is not just a seasonal occurrence, that conditions point very clearly to the fact that it is a much bigger problem. Just before I came down to this house I was reading the *Calgary Herald* of Monday, December 20, 1954, and this is what they had to say:

U.S. production next year should run two to five per cent ahead of 1954 but nevertheless joblessness may increase, the U.S. chamber of commerce forecast Saturday.

And again:

But Dr. Schmidt told reporters the production gains in prospect would be insufficient to prevent some increase in unemployment next year due to population gains and rising output per worker.

It is clear that because of the industry of the worker himself and because of our efficient way of producing goods, we are doing exactly as the Canadian Congress of Labour said: we are producing goods that we cannot sell. That is the problem we must solve in this country. We must make it