

*Unemployment Measures Lacking*

use that process as a result of the heavy debts which they have incurred in that connection.

It must also be considered that the regulations in effect when this system was set up was altogether discriminatory to the various areas of the country, since it did not take into account the climatic conditions and favoured the regions blessed with a good climate at the expense of others.

It should be pointed out to the house that the more northerly areas of our country could not benefit from the same advantages as those located in a better climate.

I think that we are faced at present with a dead-lock and I am convinced, like most Canadian people, that this formula was nothing but a poultice which provided no solution to the problem and did not serve its purpose.

Those who advocate the carrying out of extensive public works as a solution to unemployment may seem to be right, but I feel that this formula is objectionable in that it takes over by means of taxation the taxpayers' money and savings in order to invest them in projects and programs that are mostly unprofitable, and by this I mean that they are not productive nor self-supporting.

Mr. Speaker, in view of the economic philosophy of our two old traditional parties, I feel it was a mistake to believe that deficits and large scale public works would stimulate the national economy. In my opinion, it is only through industrial investments that we will solve the problem.

I feel that the two traditional parties must admit that the formula they both supported has resulted in failure and that they must look for new solutions.

We have advocated the establishment of a municipal development and loan bank but the government has converted that idea into a municipal loans fund which will slightly improve the situation but which will not solve the problem, far from it. It will increase the municipalities' indebtedness even if the government promises to write off 25 per cent of the costs if the work is completed within a certain time.

Mr. Speaker, a short while ago, we heard a summary of the promises made by both the Liberals and the Conservatives during the last election campaign.

Both had pledged and are still promising to settle the unemployment question. They promise full employment through the creation of 200,000 jobs every year.

I think that in order to create 200,000 jobs, they must bring about a drastic change in their concept of the economy of our country and recognize that here, in the hub of the country, they necessarily cannot have a complete view of the needs of the various regions

of our great Canada and that it is very urgent for them to rely on provincial government institutions.

That must be the basis, Mr. Speaker. I believe in it and I am more and more convinced that I shall not be the only one to hold that opinion.

As for us, in the province of Quebec more particularly, we have in the past advocated that the provincial government should have its own sources of revenue, taking into account its inherent responsibilities.

The Union Nationale government wanted its autonomy. We now have a Liberal provincial government and it also wants its autonomy. I think that when the conference is held here in Ottawa, at the end of November, this government will have a rough time with the various provincial governments which will come here, fortified by a clear cut and definite mandate which was recently renewed for nine provinces out of ten and gang up on a newly elected minority government to have their demands granted.

Mr. Speaker, I think it is time, today more than ever, for the federal government to realize that the provinces, 100 years after confederation, have the administrative structure and the qualified people to assume the responsibilities which have been vested in them through the confederative pact.

It becomes increasingly necessary that the federal government should recognize that situation and waive some of the responsibilities that it has seen fit to assume during the past 20 years, when the provinces were not able to assume those rights and responsibilities. The federal government therefore acted for them at the time.

Now the country is developing and the provinces feel that they are able to act on their own. Under the circumstances, the federal government must therefore give them back their sources of revenue along with the responsibilities that go with them. As a result the federal government will be greatly relieved and in a better position to devote more and better attention to the problems which really come under its jurisdiction. It can work more efficiently with all the skills and facilities available to it, if all its efforts are concentrated on those problems that actually and exclusively fall within its jurisdiction.

The hon. member for Ontario (Mr. Starr) has mentioned earlier the technical training given to workers in order to fit them into the new jobs being created in the economy of this country.

It is a very good thing to be willing to spend large amounts of money to give our workers the technical training which is becoming more and more necessary nowadays. But I feel that