

Anti-Inflation Policies

Montreal, close to the United States border, where building is going on all the time and there appears to be plenty of jobs. But this is not the case in western Canada or in eastern Canada, so why does the government make all of the people across Canada suffer under these crude, cruel policies?

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, I did not have the privilege or opportunity of listening to the Leader of the Opposition (Mr. Stanfield) when he introduced this motion. Indeed, I can only assume that it was the Leader of the Opposition who introduced the motion since it is in his name. Unfortunately, I had to be out of the House at the time. I do not know what he said, but I feel that the wording of the motion is particularly unfortunate.

The hon. gentleman condemns this government's "arrogant acceptance of recession-level unemployment". There is nothing arrogant about the government accepting recession-level unemployment. As usual with this party across the way, the hon. gentleman confuses the central problem of unemployment with the fight against inflation. He ties the whole thing together and assumes that there is an arrogant acceptance of a dreadful situation. It is too bad because whenever you are dealing with people who are out of work you should not treat that situation lightly; it is something to consider as seriously as possible in order to try and find remedies. It always has been thus.

● (5:00 p.m.)

This government, like any other government, could certainly use intelligent guidance. So far, it has received none.

Mr. Muir (Cape Breton-The Sydneys): You can say that again.

Mr. Osler: So far it has received none this afternoon. That is only a minor qualification, Mr. Speaker.

Mr. Bell: How about the speech by the Minister of Finance (Mr. Benson)?

Mr. Osler: I heard that one. I thought it was a pretty fair speech anyway. Unfortunately, the problem of unemployment has been with us for too long, and it has nothing to do with inflation. What about 1938 and 1939, the figures for which were given in the House the other day in another exchange, when 18.6 per cent of the people were unemployed?

An hon. Member: Under a Liberal government.

Mr. Osler: It may have been a Liberal government but that was at a time of great world wide depression.

Mr. Stanfield: What about in 1873?

Mr. Osler: In 1961, the unemployment figure was 11 per cent, and it was not a Liberal government then. In 1968, it was 6.4 per cent, and in March of this year, 1969, it was 6.7 per cent. I would say that to mix the two problems, the fight against inflation and the very serious problem of nagging unemployment, is to do less than a service to the people of Canada in view of the figures I have quoted. In view of these figures, we have to say to ourselves that we have too much unemployment too often.

In 1966, before the fight against inflation had begun, the average annual rate of unemployment was 3.6 per cent, and in 1968 it was 4.8 per cent. It is somewhat more at the moment. Again, I would suggest that this tells us that the problem of inflation is separate from the problem of nagging unemployment, which is brought on either by a great depression like in the 1930's, which God knows we hope will not happen again, or by technological upgrading of the demands on people who are employed. Nowadays people require higher skills, and through no fault of their own the people who are unemployed to a great degree are under educated, at least a great percentage of them. I shall return to what can be done about that later.

There are other special circumstances such as the collapse of the grain market, which has affected Saskatchewan and has put its unemployment figure up 2½ per cent higher this year than it was last year. Presumably lack of confidence in Quebec has put that province's figure up also, although by not nearly as great a percentage as in the case of Saskatchewan. However, inflation, which the government is making a valiant effort to fight, was also one of the causes of the plight in which the Saskatchewan farmer finds himself, and the government is attempting to do something so that he will not continue to be caught in the cost-price squeeze.

I would not like anybody to tell farmers that it is quite all right for the prices of everything they buy to keep on going up and up. The fact is that the poor old farmer has to produce two or three times as much to earn his living, and the result has been that he has