

Proceedings on Adjournment Motion

I could quote figures but I have no time and I think that the parliamentary secretary to the minister of Finance (Mr. Mahoney) will be in a position to give me a satisfactory answer.

With this answer, we shall learn whether this government is in a position to do something or whether he wishes us to stay under the rule of the United States or any other country although we could well regain the control of our economy while it is still time.

[English]

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, firstly and briefly I am advised that the Minister of Energy, Mines and Resources (Mr. Greene) has no immediate or present intention of asking the government to amend either the Bank Act or the Bank of Canada Act. Certainly a comprehensive review of the Bank Act will be a major task of the next Parliament in the regular decennial revision. I think that I should assure the hon. member that all Canadians, including those in the government, share the concern that he has expressed for the degree of foreign ownership of our industry and our resources.

Among other things we are watching critically the manner in which all our financial institutions, including our banks, are serving the national interest. The government has proposed and this Parliament has enacted during the past 2 1/2 years important legislation making trust, loan and finance companies much more effective institutions in Canada's over-all financial structure.

The hon. member will be aware that the Minister of National Revenue (Mr. Gray) has under review the whole matter of foreign ownership and that we are anticipating a full and comprehensive report on this subject. The hon. member will also be aware that the bill creating the Canada Development Corporation, which will be a new, imaginative and highly effective instrument in Canada's financial structure, is currently before the Standing Committee on Finance, Trade and Economic Affairs.

I might point out, since it was bankers' statements that gave a rise to this question originally, that the particular bankers who made their comments in New York, the banks they represent, none of the Canadian chartered banks nor the Canadian Bankers' Association have indicated any interest in appearing before the standing committee as it deals with the Canada Development Corporation bill.

UNEMPLOYMENT—RATE OF HARD-CORE UNEMPLOYMENT
JOBS FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on March 18, I asked the Prime Minister (Mr. Trudeau) whether, in view of the fact that over the past 11 months the seasonally adjusted rate of unemployment has varied from a low of 5.6 per cent to a high of 8.2 per cent, we should take it as government policy to accept an unemployment rate of 5 1/2 per cent to 6 per cent in the future. The Prime Minister did not answer my question because the Chair ruled that he had already answered a similar question.

[Mr. Latulippe.]

The answer which the Prime Minister gave was in fact incorrect. The figures released by the Dominion Bureau of Statistics and the Department of Manpower and Immigration in April for the month of March show that in March, 1971, there were 650,000 people unemployed, an increase from the 542,000 unemployed in March, 1970, of more than 100,000.

If we look at the regional rates we become even more alarmed. The very high unemployment in Quebec increased from 206,000 in March, 1970, to 236,000 in March, 1971. In Ontario, the most prosperous province in Canada, it increased from 141,000 in March, 1970, to 192,000 in March, 1971. In British Columbia it increased from 59,000 in March, 1970, to 73,000 in March, 1971. It is true that the seasonally adjusted rate declined to 6.6 per cent, but that does not help the 650,000 people who are unemployed.

● (10:20 p.m.)

Apart from the large number of unemployed we have a particular problem in respect of the hard-core unemployed which is becoming more serious. The number of Canadians unemployed for a period of four months or longer in March rose to 308,000. This is an increase from 263,000 in February and 225,000 in January of this year. Even more significant, however, is the fact that the figure of 308,000 in March of this year is more than 100,000 higher than the 200,000 people who were unemployed for four months or longer in March of 1970. In the hard-core category, the 182,000 who had been unemployed for a period of between four and six months in March this year, and 126,000 who had been unemployed for six months or longer, have a right to begin to think their unemployment will be of a permanent nature.

Dr. W. R. Dymond, who is now a professor of economics at the University of Ottawa and in other years was a deputy minister, I believe, in the Department of Manpower and Immigration, has written articles recently in which he emphasizes the gravity of the unemployment situation and suggests very strongly that unemployment will not normalize as the economy revives, if it revives. He points out that between 1960 and 1970 Canada has experienced an 11 per cent increase in unemployment over all age groups, but that the age group 14 to 19 years has experienced a 43 per cent increase in unemployment and that the comparable increase for the 20 to 24 years group is 49 per cent. I believe these figures substantiate conclusively the question I asked the Prime Minister, namely, whether we could expect that for the next year an unemployment rate which would vary between 5.5 per cent and 6 per cent for the whole year on a seasonally adjusted basis was, on the whole, a very conservative estimate.

The economists to whom I have spoken are doubtful it will hit 5.5 per cent even in the best months of 1971 and in the first part of 1972. This is not surprising. We have a government which was so concerned about inflation that it adopted policies of restraint—the government is proud of this—which kept the cost of living increase last year to 1 1/2 per cent, the lowest figure of any country in the