

thing to say against them let him speak out, instead of speaking of "dollar machines". Let us speak of security and freedom for all Canadians who have guts and are responsible, who have muscles on their arms to develop their country and make Canada the best country in the world.

[English]

**Mr. John Lundrigan (Gander-Twillingate):** Mr. Speaker, here we are, on March 25, 1971, still talking about inflation, unemployment, taxation uncertainty and regional development. At least we are hearing ourselves talk and one year from now some of us will stick out our chests and say, "We told you so" when we refer to what we said. I wonder to what extent we can make recommendations? I wonder if it is all meaningful when we make our positions and recommendations known to the government, which seems to be on a supreme political ego trip and which is so "stoned" with political self-righteousness that it will perhaps take another election to bring them back to some kind of reality. The Prime Minister (Mr. Trudeau) is still convinced that flower power or flitting around the countryside and indulging in various other escapades can cure the economic ills of the country. We heard the Minister of Finance (Mr. Benson) this afternoon say that we have turned the corner, that all the economic indicators show we are in for a very good year in 1971; we are over the hump so "hold on boys, because help is on the way". He again accused all opposition members of exaggerating the extent of the recession in Canada and the seriousness of our economic problem.

**An hon. Member:** Shame.

**Mr. Lundrigan:** Right now, I understand he is meeting with representatives of the Canadian Chamber of Commerce, who are to recommend to the minister selective corporate and personal tax cuts, which we have recommended for several months. I just wonder if he is going to shrug his shoulders, chew his pipe and give the same kind of inconsiderate response to those people, to the economists and to the business community, as the Prime Minister and his merry men have given to the representations the opposition has made day after day in the House of Commons. If he is to react that way, I guess we are all out on a limb. An hon. member preceding me said that in Canada we are at present experiencing the lowest rate of capital expansion and the lowest rate of investment by individuals that we have seen in the past 20 years. We have another first, Mr. Speaker. We have the highest rate of business failures in the history of Canada.

**An hon. Member:** Shame.

**Mr. Lundrigan:** Twenty two hundred businesses went under in Canada in 1970, compared with the 340 fewer businesses which failed in the previous year. That is the situation in the Canadian business community, and that shows how desperate it is. Businesses are failing that otherwise would have hung on; businesses are cutting back that otherwise would have held their own; busi-

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nesses are holding their own that otherwise would have expanded, and many businesses that might have been begun have not opened their doors because of the tremendous uncertainty existing in this country at this time.

One big company did not spend \$160 million for expansion in Wabush, near Labrador City, Newfoundland, an area of Labrador that is one of the great mineral and resource areas of this country and one of the great hinterlands of potential development. We saw this \$160 million chopped out of an expansionary program by the company concerned. It did not spend the money that would have created hundreds and hundreds of jobs. Unemployment in this country, I submit, is running even higher than Dominion Bureau of Statistics' figures indicate. To be quite honest, Mr. Speaker, I question those figures. I question the kinds of procedures being used to reflect the actual unemployment figure. Even with that diluted picture of the extent of unemployment, we see that the figure has climbed to 675,000. There are 92,000 people in upgrading courses. People who are experts in manpower development say that much of the money to these 92,000 people could just as well have gone into welfare programs, because the upgrading is just a make-shift affair.

As I say, 92,000 people are taking upgrading courses at the moment. God knows how many people are actually unemployed in this country. Some people mention the figure of three quarters of a million. Others say that the actual total number of people looking for work is close to the 1 million mark.

**Mr. Paproski:** Shame.

**Mr. Lundrigan:** There has been some talk in the House about the consumer price index. In the months of January and February, the rate of inflation was .9 of 1 per cent. During the same period last year, the rate of inflation was 1.5 per cent. I will not argue that we should use some sort of average and say that we shall experience a 6 per cent rate of inflation during the coming year. I think the spokesman for the New Democratic Party indicated that he expects mass national unemployment to reach levels higher even than those experienced in the 1930's.

In this country there is a program of regional development. Despite the glorified promises of the Prime Minister during the past three years that major action will be taken to eliminate regional disparities, unemployment in one province in Atlantic Canada increased in February by 3 per cent over and above what it had been in January. The percentage of unemployment in Prince Edward Island climbed from 8 per cent to 11.2 per cent; in Nova Scotia as well, it increased substantially. In Newfoundland—well, I hardly dare even talk about it. There unemployment reached a level of 15.2 per cent; that is approximately the level it reached during the depression in the 1930's in Canada.

At the same time, the Minister of Regional Economic Expansion (Mr. Marchand), who is presently in the House today, has been working on the problem of regional