

Unemployment Measures Lacking

The Central Mortgage and Housing Corporation, by a more generous policy concerning loans, will help the economic development of some areas.

The announcement of an investment of \$100 million in the Atlantic development board will help the Atlantic area.

The creation of a Department of Industry and of an economic board will probably, in the long run, enable the Canadian government to solve this problem.

I am not entirely satisfied with the situation and I do not think any of us is. But there are probably a number of proposals which will be brought forward and which will enable us to see the day when there will be in Canada what is called in other countries and has been called here full employment.

We have been talking about full employment for a long time in our country. I have before me a report published in 1945 under the title "Employment and Income". This report has been called the "white paper on full employment". Here is what we can read in it:

[Text]

In setting as its aim a high and stable level of employment and income the government is not selecting a lower target than full employment.

[Translation]

As far back as 1945, this was the policy of the government. Since then, there has been much talk about full employment and unemployment. And if the hon. members would look at the House of Commons debates index, they would notice that this has been the most discussed subject for five or six years.

In fact, a special committee on manpower and employment has been established in the Senate and sittings took place in 1960 and 1961. This committee submitted a voluminous report on the employment problem.

The fact remains, Mr. Speaker, that even though one knows the unemployment problem, its details, its various forms, as an hon. member of the opposition mentioned this afternoon, a basic decision has never been taken, namely whether governments, federal and provincial, should interfere in the direction of the economy.

All kinds of solutions have been suggested, all aspects of the problem have been considered, but when one reads all these reports, one is always under the impression that there was a gap at a certain time and that the government was never able to make up its mind and really step into the economic field. I think that is the crux of the problem.

We could discuss ad infinitum the causes of unemployment and the solutions we think possible, but as long as governments, all of them, will not make up their minds to step

[Mr. Sauve.]

in in order to stem unemployment and apply a policy of full employment, Canada will experience, as she has in the past, long periods of unemployment.

All the reports I studied, especially the Senate report I just mentioned, reflect worry about what the economic situation will be between 1965 and 1975, when there will be a significant influx of people on the labour market.

That is the heart of the problem and it is up to us to decide whether we really want to step in. As long as we go on thinking that private enterprise can solve the unemployment problem all by itself, that important public works, unemployment insurance and assistance will be able to help the jobless for some time, we will never solve definitely the full employment problem.

Everybody admits that a certain level of unemployment is acceptable—although people who suffer from it do not—say 2 or 3 per cent, but a higher rate of unemployment, like ours, is not normal. Now I think that the unemployment situation in Canada is the source of other difficulties which are also very serious.

Unemployment in Canada is mostly rampant in the maritimes, in British Columbia and in Quebec. These are the three areas of this country which are usually hit the hardest by unemployment.

But I will point out, if I may, that it is these areas or these provinces which seem to have always some criticism to make with respect to the action or the inertia of the federal government. It is these provinces which find it difficult to get along with the federal government, and I believe that, as far as my own province, the province of Quebec, is concerned, unemployment and the economic situation of its population are probably the main cause responsible for the uneasiness which prevails in the federal-provincial relations and in the relations between French speaking and English speaking Canadians.

In my opinion, nobody questions the responsibility of the federal government to ensure full employment. It seems that it has been said a long time ago that full employment is at first a responsibility of the federal government.

On the other hand, some provincial governments are willing nevertheless to help relieve unemployment in their section and I believe it is urgent that both the federal and provincial governments agree on the policies which should be implemented in order to solve the unemployment problem.

The problem does not have the same acuteness throughout. Thus it is obvious that in Ontario, unemployment is less critical