

finishes we get a statement from the Prime Minister, the Minister of Labour, the Minister of Manpower and Immigration or the Minister of Regional Economic Expansion. The government cannot continue to shrug its shoulders and present an attitude of callous indifference to the appalling situation which obtains in Canada today.

The figures just released are something to touch the conscience of every member of this House. We now know the unemployment figure for February, 1970 represents 6½ per cent of our labour force, that is 526,000 persons, up from 473,000 for February, 1969. When you get unemployment well over half a million, the highest unemployment we have had in Canada since 1963, and I think it is safe to say the highest unemployment figure of any industrial country in the world—

An hon. Member: Shame.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I do not know of any other industrial nation in the world that has an unemployment figure even closely approaching 6½ per cent. When we get an unemployment figure of that magnitude we are talking about an economic recession. The tragedy is, Mr. Speaker, that this is a government induced recession. There have been times in the past when recessions have crept up on governments and taken them by surprise. There have been recessions which governments could claim were brought about by world conditions beyond the government's control. But here is a recession which the government has deliberately manipulated and precipitated. Last December, the Prime Minister (Mr. Trudeau) said that the government was prepared, if necessary, to have 6 per cent unemployment—

Mr. Orlikow: He has got it now.

Mr. Douglas (Nanaimo-Cowichan-The Islands):—in order to carry out its anti-inflationary program. As my colleague, the hon. member for York South (Mr. Lewis) said only a few weeks ago in this House, in all probability it would be more than 6 per cent—it would be 6½ per cent. Unfortunately, his prophecy was only too true and that is exactly the figure we have reached.

The Minister of Finance makes no bones about the fact that unemployment is one of the techniques by which the government hopes to stop inflation. In his budget speech he said that he anticipated some increase in

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unemployment. Then, he made this statement, which ought to be enshrined on his monument. He said:

We just cannot tell how soon or how far the slowing of growth in demand and in production will bring about a slowing down in price increases.

I say to the Minister of Finance, who I notice has just come in—

An hon. Member: Now, he has just gone out.

Mr. Douglas (Nanaimo-Cowichan-The Islands): In my opinion, this is the most callous statement ever made by a minister of finance. In essence, he says, "I don't know how much longer we will have to tighten the screws, how many more people we will have to throw on the scrap heap, how many more we will have to throw out of jobs or how much more economic slowdown we will have to perpetuate in order to stop price increases."

• (4:10 p.m.)

The Minister of Finance ought to enter this debate and tell the House how much unemployment he thinks it will be necessary to have before he will be satisfied and how long it will take before he comes to the conclusion that economic slowdown and unemployment are not going to stop price increases. If the government is going to persist in this policy, it must tell the House during this debate what it proposes to do about these unemployed people. Is the government prepared to create some employment by massive programs of construction of hospitals and vocational training schools? Both of these programs expire at the end of this month. The government could reintroduce them. The government could set up a housing program.

When I asked the Prime Minister earlier this afternoon about programs to help put the unemployed to work, he said there is extra money in the budget for housing. The Prime Minister knows perfectly well that not only is there not enough money, but that money alone is not the answer. Houses cannot be built unless interest rates decrease and unless funds are available.

Housing starts are falling off. That is because the average young people, unless they have an income in excess of \$9,000, have no hope of ever building a house or ever paying for it. Until the government is prepared to present a program with lower interest rates and will make investment funds