

turning all this over to private industry, how does one judge the effectiveness of it? When some private industries do not perform well we have to bail them out, yet very little is said about that.

I now wish to make another proposal which to me seems a necessary condition for the success of a development program. It is a proposal to implement a guaranteed annual income. This may seem a rather odd place to introduce this concept but I am convinced it must be done. Only if you provide a guaranteed annual income to take care of the people who must inevitably be displaced under a development program can the program itself be justified in any kind of humane terms. At the moment many industries in Canada survive because of only one thing, and it is called the Unemployment Insurance Act. Let us not make any mistake about whom that act benefits. It is often said that it is the seasonal worker who benefits. People can see the payments going directly to him, but I would suggest he does not get that much from the unemployment insurance fund. It is inefficient industries that benefit, and the act is merely a prop to maintain industries that should not be in existence. The only way these industries exist is through releasing their workers so they become a public cost. If these workers had to be retained, retrained and paid all year, those industries would have to change their ways and become efficient or else go out of business.

In our humane attempt to help people engaged in seasonal employment, we have indirectly created some serious industrial problems. Therefore, it is far better to make direct payments to people so that we can make an analysis of our society and take a good look at these industries that are being shored up by the Unemployment Insurance Act. The truth of the matter is that the largest recipients of charity in this country are some of our industries, not some of our people.

If the minister carries out these suggestions that I have made this legislation can do a very great job. In closing, Mr. Speaker, I recall some words that I spoke when I participated in the debate on this legislation three weeks ago. At that time I called the minister one of the bravest men in Canada. I wished him well because this legislation really puts his neck on the block. He must prove himself. He has power to act. He must prove himself not only in this house but, more importantly, he will have to use his power in

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the cabinet. He will have to demand those concurrent conditions that are necessary to the success of this legislation.

With the greatest sincerity at my command, I wish the minister well. He is being asked to do a job in which everyone else has failed. For that reason, all of us most sincerely wish that he will be the exception. I can assure him that we in this party will help him if we possibly can. We want this program to work. We feel deeply about the poverty of people in Canada. The juxtaposition of the rich and the poor is a disgrace to our eyes and an affront to our sensibilities. As I say, we will do everything we can to assist the minister, to provide encouragement, and on occasion stimulation to ensure the success of the program.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I believe short speeches are the order of the day, but after we have all had a chance to get our second wind over the long holiday it may be a somewhat different story next week. I simply wish to make one point to the minister. It arises from questions asked earlier today by the hon. member for Dartmouth-Halifax East (Mr. Forrestall), relating to problems incurred by a defence plant in his constituency. The point I wish to make is that the minister should have the closest liaison possible with other departments of government that have a direct effect upon employment in Canada, particularly in areas that need assistance.

The minister has said that a capital investment of \$25,000 per job is a likely rule of thumb with respect to the type of problem he is facing. Using the minister's own yardstick, the lay-off of 40 men can immediately run into a figure of \$1 million. I hope that in charting the broad course for helping the poorer areas of Canada the minister will bear in mind that there are other government ministers who can be jogged, who can be asked what their particular departments can do. Since the Fairey Aviation matter is a mixed problem of defence and economics, I do not want to argue the defence aspect of it because I would be immediately ruled out of order. However, I do wish to say we all know that these situations should be given consideration when we are dealing with the spending of taxpayers' dollars.

● (3:40 p.m.)

I should like to dwell on the economic side of this question for a moment and suggest seriously and earnestly to the minister that every day his department operates he not