

*Proceedings on Adjournment Motion*

knows, the problems of finding a balance of policies that will ensure the health of Canadian publishers of all kinds and ensure access for all Canadians to the literature of the world are many and complex. All avenues of activity of the federal government that can contribute solutions to these problems are being actively investigated. As the government's publishers, one of the largest publishers in Canada, Information Canada is heavily involved in these investigations.

We have also been exploring ways in which other countries with comparable problems are providing for their solutions. Because of the complexities involved, I anticipate no formal statement to the House relating to all of these activities at the present time.

LABOUR CONDITIONS — UNEMPLOYMENT — IMMEDIATE AMENDMENT OF UNEMPLOYMENT INSURANCE ACT IN VIEW OF INCREASE IN FUND—INCREASE IN FEDERAL SHARE OF WELFARE COSTS

**Mr. David Orlikow (Winnipeg North):** Mr. Speaker, on February 2, I asked the Prime Minister (Mr. Trudeau) whether the government was giving consideration to increasing the percentage of costs paid by the federal government to the provinces and municipalities for welfare, in view of the very sharply increased costs to the cities and provinces last year as a result of the government's policies to combat inflation, which have led to a marked increase in unemployment. The Prime Minister replied simply that the federal government shares the cost of welfare with the provinces and the cities by paying 50 per cent of all costs.

Mr. Speaker, the Prime Minister ignored the point I was trying to make. I hope that the Parliamentary Secretary to the Prime Minister (Mr. Danson) who I presume will be answering for the Prime Minister, because he is a member from metropolitan Toronto and because the issue which I raised has been so sharply delineated in the past few days in that area will not give me the kind of Paul Martin answer, which is no answer, that he gave to my colleague the hon. member for Selkirk (Mr. Rowland). A very short investigation which I made last week brought forward some interesting statistics. In metropolitan Toronto the cost of welfare will rise from \$50 million in 1970 to \$75 million in 1971. The only good thing I can say about that, Mr. Speaker, is that some of the wealthier constituents represented by the parliamentary secretary may have to pay more taxes to help meet that bill. In my own city of Winnipeg, costs have gone up from \$3,900,000 in 1969 to \$5 million in 1970. Officials of the welfare department estimate that costs for 1971 will rise to \$6 million. Hamilton, which is a prosperous city with a tremendous amount of basic industry and with well paid workers, is to pay an increasing amount. Welfare costs to the city will have risen from \$1.5 million in 1969 to an estimated \$2.5 million in 1971. In Windsor, the auto capital of Canada, welfare costs in 1969 were \$1.6 million; in 1970 they were \$2.27 million. In Calgary, the oil capital of western Canada, welfare costs went up from \$200,000 in 1969 to \$450,000 in 1970. It is estimated that in 1971 they will be \$550,000.

[Mr. Danson.]

• (10:10 p.m.)

I am not talking about the total cost of welfare in those cities; I am talking about the actual amount which has been paid and will be paid by the local taxpayers. I have not been talking about the 50 per cent of the welfare costs which are to be paid by the federal government, or of that percentage which varies from province to province and which is paid by the provincial governments; I am talking about the actual sums of money which are to be paid by the municipalities which I have mentioned, as well as by other cities in Canada—

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Out of property taxes.

**Mr. Orlikow:** —out of property taxes. With living costs rising as rapidly as now—the increase for January was almost half of one per cent—this has become a very serious matter for the cities and for the taxpayers in those cities. I urge the government to reconsider its hard-headed and hard hearted decision not to increase the federal share of welfare costs beyond 50 per cent. After all, the large increase in welfare costs has been caused by the very serious increase in unemployment. At present our unemployment is higher than it has been at any time since the end of World War II. It is no accident that this unemployment exists, that 668,000 people were out of work in January, they were out of work as a result of policies devised by the federal government.

The Prime Minister would like us to forget what he said one year ago. When defending the anti-inflationary policies of his government, he said that the government was going to be tough, and that if people thought that the government would not be tough they ought to disabuse themselves of that idea. The Prime Minister, who of course has never been unemployed and has never experienced any difficulties, was prepared to tolerate a 6 per cent unemployment rate if that would help to overcome the threat of inflation in Canada.

The present rate of unemployment is not 6 per cent; the actual rate is 8 per cent as calculated by the Dominion Bureau of Statistics. Because of this large-scale unemployment, because many people have been out of work for more than six months, because many people have exhausted their unemployment insurance benefits and have been forced, through circumstances created by the federal government, to apply to the cities I have mentioned and to all other cities in Canada for welfare, costs in welfare have increased. These increased costs have resulted directly from federal government policies. I think, therefore, that the federal government ought to increase its share of those costs, if only on a temporary basis, if only in this emergency situation, beyond the present level of 50 per cent to 65 per cent.

I suggest this percentage to the parliamentary secretary. I hope he will bring it to the attention of the Prime Minister, who may not give me the kind of answer that he is alleged to have given to another member in the House today. I urge the government to give serious consideration to the suggestion I have made. It has also been