

Regional Unemployment

years had been spent in attempts to institute a jointly-funded program in northern Manitoba.

In the absence of my colleague from Nova Scotia, let me put on record some of my views concerning the terrible situation existing on Cape Breton Island. The steel industry of the area employed thousands for many years, at relatively high rates of pay. Unfortunately, in the last couple of years it has been forced to lay off several thousand workers—and this in an area without alternative employment. The lay-offs are the direct result of the recession which has affected not only Canada but all western industrialized nations. But it is also largely the result of the fact that the previous private owners of the plant neglected for many years to invest their profits in the modernization of the plant and its facilities.

● (1600)

The result is that the plant, which has geographic disadvantages, added to everything else, is not now able to compete with other plants in Canada or elsewhere. The people of that area are faced with the requirement that the federal government and the provincial governments together must spend a very large sum of money—several hundred million dollars at least—to bring that plant up to modern productive capacity.

Failing that, there are only two alternatives that I can see for the people of that area. Either they will be permanently unemployed, with thousands of willing and able workers on permanent welfare, or they will be forced to move thousands of miles to new jobs, leaving behind houses, schools, hospitals and all the facilities which are needed in order to have a decent life: they will be empty, not being used. Their movement would require the building of new houses, schools, hospitals and recreational facilities in the cities to which they move. Why has this not been done? It is because this government does not believe in and cannot see its way clear to the kind of long-term, permanent planning of the economy which is necessary.

There are two problems. There is the long-term problem of how Canada, a country large in area with a relatively small population, can compete on the international markets and its own markets with other countries which have very efficient industries. I refer to such countries as the United States, Germany and France. The government has given no indication to parliament or the people of Canada that it is really thinking about these problems.

We have the immediate problem of over 900,000 people officially unemployed. If we include those who have withdrawn from looking for work because there is no work, young people and women, and those who are in our community colleges and Manpower training courses, many of them there because there are no jobs to which they can go, we are not talking about 900,000 or even a million, but probably 1¼ million people. Do we believe that nothing can be done about that?

On Monday night I watched a program on the CBC. It was on economics. The commentator was John Kenneth Galbraith. He repeated an argument which some of us have made on other occasions: he said that governments all across the western world did not believe they had the ability, and could not

[Mr. Orlikow.]

find the money to put to work between 20 per cent and 30 per cent of their work force which was employed in the period 1929 to 1939. After war was declared in 1939, unemployment disappeared in Canada, the United States, Great Britain and other countries. We believe, as John Kenneth Galbraith believes, that unemployment is not necessary. We believe a government can find ways to put people back to work and do so in fairly quick fashion.

I wish to mention a few of the steps that can be taken in the very near future if only the government will make the decision. First, we need a new budget, a budget which will immediately decrease personal income taxes, particularly for those earning lower and middle incomes, in order to stimulate purchasing power and take up the current slack in the economy. We need immediately to reactivate all federal works projects, encourage the provinces and municipalities to follow suit, and at the same time lift any restraint on shared funding of such projects. We should immediately expand, in consultation with the provinces, the capital budgets for low-income and co-operative housing and land assembly. We should immediately launch an assisted repair and renovation program of homes owned by pensioners, the disabled and low-income families.

If such a simple program were begun by this government, by the end of 1977 we could cut the percentage of people unemployed by a substantial number from the present scandalous and intolerable level.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to participate very objectively in the debate on this opposition motion. I feel this motion is most relevant to the economic situation in Quebec and the Atlantic provinces. Of course, I shall restrict my remarks more specifically to the unemployment situation in the province of Quebec and the steps taken to remedy this situation. I am convinced that following our proceedings, the government will be more aware of the actual needs of our regions and of the action required to remedy the situation.

Mr. Speaker, because this country of ours is very large, I feel that Parliament must assume its responsibilities and make sure that all regions are dealt with fairly and allowed to develop normally. I cannot help being hurt and aggrieved when I read news about under-developed areas, as though only mental defectives lived there.

● (1610)

In each and every area, there are, however, highly intelligent people capable of developing industries and using our resources to create jobs for those Canadians who are able to work, and to ensure for the others affected by ill health or physical impairment a standard of living in keeping with Canada's potential. I had a study made for the South Shore area, as I like to call it, to have it recognized by the government and the nation as a region in its own right. It has always been called by that name. The study went back as far as the beginnings of our country. It shows how creative the people there have been, how many of them had the creativeness to