

Government Monetary Policy

UNEMPLOYMENT—GOVERNMENT MONETARY
POLICY AND DEBT MANAGEMENT

Mr. Frank Howard (Skeena): Mr. Speaker, the amendment before us has allowed for a rather broad and sweeping type of debate upon a number of subjects, which we could reasonably expect to flow from the general wording of the amendment itself. This discussion has dealt somewhat with fiscal policies, somewhat with the objection that certain hon. members have to a particular provincial government in Canada, and somewhat with the question of unemployment, all of which matters are deemed to flow from the content of the amendment itself.

I can understand, of course, how the fiscal policy of the government and the unemployment situation may be directly connected with the amendment, but I fail to understand how references to the activities of any provincial government have anything to do with the amendment. It is therefore my intention to concentrate on the field of unemployment and the matter of our economy in the few remarks I have to make.

I think we have seen over the last few years a kind of blind refusal on the part of the government even to admit that there was something close to economic difficulty in the nation. I am sure we remember very well the famous statement of the Prime Minister in November of 1957, shortly after he took office, in which he said that unemployment is not a serious problem and that we need not concern ourselves with it. Ever since then it appears to have been the policy of the Prime Minister's colleagues and others who support his party to protect the Prime Minister from admitting having made an error in 1957, when he said that unemployment was not a serious problem and need not be dealt with.

Mr. Speakman: I rise on a point of order, Mr. Speaker. Will the hon. member tell us where this statement appears?

Mr. Howard: I should be glad to do so. I have in my hand a copy of the *Winnipeg Tribune* of Saturday, November 9, 1957 in which we find the following, and I am now quoting the words:

Prime Minister Diefenbaker has described the unemployment situation as "not generally serious"—

As I said, this was November of 1957. The action of the government since that time seems to have been to protect the Prime Minister in the erroneous assumption that he had made at that time. Certainly the Minister of Finance, at least up until the baby budget was born, juggled the budgetary items of the nation on the assumption that nothing too serious was wrong.

This is an extremely unwise course to follow. I think the government should be gentlemanly enough to admit their mistakes of 1957, 1958, 1959, and 1960 and face the fact that there is in this nation an unemployment situation that is extremely serious; that workmen and their wives and their families, many of them regularly unemployed every winter and stretching on into the summer, now are seriously suffering, are losing furniture and commodities they have bought on credit, and are obliged to exist at substandard levels on welfare or on unemployment insurance for extended periods of time.

I note that the Prime Minister, according to the *Globe and Mail* of this morning, was in a lengthy conference with the President of the United States and in fact had his picture taken with President Kennedy. What they discussed, of course, was accounted for a little bit yesterday; but at least President Kennedy, shortly after taking office, had the courage to face the fact that there is in the United States a difficult economic situation and he wants to deal with it. This government has failed to face even that problem, namely the fact that there is an economic collapse in the nation. Again we hear platitudinous phrases such as these: everything is fine, prosperity is just around the corner, and all we have to do is rest our faith and hope in the capitalist system and everything will straighten itself out.

Valentine day was not too long ago, Mr. Speaker. Usually on Valentine day we are supposed to have sweet thoughts for people; it is a day for tender expressions of endearment. In recent years, unfortunately, this purpose has been distorted by the development of a so-called sick type of valentine which is really extremely unkind to the recipient. On February 15, the day after Valentine day, the workers of this nation and the unemployed people in this nation received from the government in office a valentine of the sick type; that was the day on which the latest statistics relating to the labour force were released. Those statistics have been mentioned in the house, have been distorted somewhat in many instances, have been compared with things with which they should not have been compared, and so on.

If one keeps in mind the fact that these statistics are now accepted as the only ones with which we should concern ourselves, and that they were developed and endorsed by the government in office, and if we think in terms of percentages of the labour force, I think we get a clearer picture of what is happening. From this valentine gift to the workers and the unemployed of this nation we find this, and perhaps I could just read briefly four or five statistics. We find that in