

unemployment, it was like listening to a cracked record. His main comfort to those who are out of work was that conditions were much worse in 1959 and 1960. It should certainly make the unemployed feel better to know that ten years ago the people who were unemployed had it just as tough.

I am not going to get into the argument whether unemployment in 1960 was worse or better than it is today; I think that is totally irrelevant. Nevertheless, let me tell the Minister of Finance that in spite of his optimistic statement this afternoon, some of the best economists in this country are now predicting that the unemployment figure this winter will peak in February at 740,000. This does not take account of the 100,000 who are taking manpower training but are also unemployed. Nor does it take account of those who have dropped out of the labour force.

● (4:40 p.m.)

Then, the Minister of Labour fell back, as did the Minister of Finance this afternoon, on the old defence that governments always adopt. He talked about the psychological effects of the gloom and doom that are being created by the opposition. He stated that any investors sitting in the gallery listening to the speeches of opposition members would certainly not be interested in investing in this country. This, of course, is the line taken by the Secretary of State for External Affairs (Mr. Sharp).

According to the *Globe and Mail* for Saturday, January 16, the Acting Prime Minister criticized the labour minister of Quebec, Mr. Jean Cournoyer, because the latter had said that unemployment would undoubtedly cause further outbreaks of violence. According to the press, the minister said:

This kind of talk is not going to encourage the establishment of new industries. There has been some loss of confidence in Quebec since the FLQ trouble—

Does the government think that the people of Quebec are children? Does it think that investors are simpletons? Does it think that investors and business tycoons are not as aware of the unemployment statistics as anybody else? Is the government asking all of us to enter into a conspiracy of silence and not tell anybody that unemployment in Canada is the highest in the western world? Are we supposed to keep quiet about unemployment? Does the government think we will create public confidence by putting our heads in a hole and hoping that the unemployment problem will go away?

The Minister of Labour talked about foreign investors being frightened away. Does the minister think that foreign investors do not read the reports of OECD which indicate the degree of unemployment in Canada? I say that this is a specious type of appeal. Instead of trying to sweep the problem of unemployment under the rug, the government ought to be going to the people of Canada today and admitting: "We goofed. We started out to fight inflation and we have created something that is much worse. Like Frankenstein, we have created a monster that we cannot control. But we are now prepared to try

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to remedy the situation, and we ask your co-operation". Instead of that, we have had nothing but pathetic alibis. Finally, the Minister of Labour tells us that it takes courage to create temporary unemployment intentionally. Perhaps it does take courage, but it also takes a good deal of stupidity to create unemployment unless at the same time you have created the necessary programs to take care of the unemployed and to provide other jobs for those affected.

The Minister of Finance made the statement today, for which we had all been waiting. But it is not going to provide any consolation for those men and women walking the streets of this country in search of work. It will provide no comfort for the old age pensioners and veterans who are trying to eke out an existence on an amount which the government admits is totally inadequate. It will provide no encouragement whatever for the provincial and municipal governments that are now burdened with a great load of welfare payments which they cannot meet. Problems that are not of their making are now being dumped on their doorstep.

Mr. Deputy Speaker: Order. I regret to interrupt the hon. member, but I do so to advise him that his time has expired.

Some hon. Members: Continue.

Mr. Deputy Speaker: Is there unanimous consent that the hon. member continue?

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I thank the House for its long suffering patience and I will draw my remarks to a conclusion very quickly.

The minister took refuge in the fact that the high rate of unemployment is the result of winter conditions. Everybody in Canada knows that it is much more difficult to provide jobs in the winter than it is at other seasons of the year. But let me point out that the unemployment figures for December 1970 are higher by 155,000 than the December 1969 figures. And working conditions in December of one year are much the same as working conditions in December of any other year. The Minister of Finance also trotted out the old bogeyman when he said: "If we carried out some of the programs that the opposition has been suggesting, where would we get the money?" This statement is really not worthy of a Minister of Finance who lives in a period when the Keynesian philosophy and techniques are so well known. The fact is that unemployment and the lack of a full utilization of our productive capacity is costing this country \$100 million a week, or over \$5 billion a year. If the government has to deficit finance to get the economy rolling again, then it will get this money back many times over by creating full employment and promoting economic growth.

● (4:50 p.m.)

I just want to close by saying that unemployment is a human tragedy. It is a human tragedy because of the