

mechanisms for creating effective demand. The government has ignored this advice again and again. The government seems to think that it will stimulate the economy if it keeps making grants to corporations, two-thirds of them American controlled. What we really need is to put money into the pockets of low income groups of this country, so that they have money with which to buy goods. When they are able to buy goods, industry will expand its plant to meet the effective demand of the people of Canada.

Some hon. Members: Hear, hear!

Mr. Douglas: We have called for greater Canadian control of the economy. We believe that unless we exercise a greater measure of control over the economic decisions that affect the welfare of the people of Canada, it will not be possible to plan our economy in the way that is necessary. We have said that if inflation threatens, there are mechanisms that can be set up by which we can make sure that inflation will not take its toll from the people of this country who live on fixed incomes. Always, the Minister of Finance says, "Where are you going to get the money?" Again, Mr. Speaker, the Economic Council has pointed out that this country, because of the slack in our economy, is failing to avail itself of \$5 billion a year of potential production which we are capable of creating. Dr. Smith said that we are losing roughly \$100 million a week in production which is not being created as a result of the government's policies.

I say in closing, Mr. Speaker, that some of us have gone through this traumatic experience before. In the 1930's in this country we had large scale unemployment, unused productive capacity, an economy that was stagnant and a populace that was suffering. In those days we heard the same story from the government of the day, which was a Liberal government. The argument was that we lacked the money. We could not interfere through the public sector. It was up to the corporate structure to create jobs. We argued that if Canada ever went to war, we should not only find the money to stimulate the economy, but that we should do the necessary economic planning to give the economy direction. That is what happened. Many Canadians forget what happened. They ought not to forget.

They should remember with pride that when Canada entered the war, the economy that had been entirely stagnant became dynamic. We not only put a million men and women into uniform, fed them, clothed them and armed them, but we produced goods we had never produced before. We expanded our economy. We built the third largest merchant marine in the world, and manned it. We not only fed, clothed and housed our own people; we fed and equipped our allies. To prevent profiteering and inflation, we imposed price controls. We did all this without borrowing one dollar outside Canada. We did it with the efforts, the labour and toil of the Canadian people, because we planned our economy.

The New Democratic Party is saying to the government that if we could plan the economy in time of war,

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when a large part of our production was not going into non-consumer goods, it would be much easier now to plan the economy in a war against poverty and unemployment in order to provide jobs for our people and a high standard of living for all Canadians. This country, Mr. Speaker has tremendous potential. Canada is like a great, blinded giant that has been handcuffed and bound. What it needs now is leadership. That leadership has not been forthcoming, and for that this government can be justly condemned.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, once again during the present session we are discussing the economic and social policies of this government. We are doing so at an appropriate time, that is to say, very shortly after the appearance of the statistical reports that give us some knowledge of the results of the government's policies in fields in which it claims at least to be interested and at a time when the Minister of Finance (Mr. Benson) and his associates are considering, presumably, the forthcoming budget.

Yesterday we heard figures from the Dominion Bureau of Statistics concerning the unemployment situation in February. Those figures were reviewed a few moments ago by the Leader of the New Democratic Party. They show that whereas one year unemployment in Canada had reached the already unacceptable level of about 6.5 per cent, this year the figure had climbed to a level of 8.1 per cent. Notably included within this total mass and massive unemployment which government policies have created is that group of Canadians referred to in the motion we are considering today, the young people of Canada.

That unemployment among those under the age of 25 should be raging at a rate of over 13 per cent is a continuing sad state of affairs. That it is running this high at a time when the student youth of the country are about to flood onto the market seeking summer work is nothing short of a tragedy. Repeated attempts have been made by the opposition to persuade the government to come to grips with the problems of both elements in the youth group, the student element and the regular labour force element. The students finally have received the announcement of the government's plans for them. There are aspects of these plans that have merit. I must certainly take issue, however, with the long delay that the government indulged in before making its announcement. Even now, we do not have any details, any terms of reference or any guidelines about the major elements in the government's proposals for student employment, its opportunities for youth program.

● (12:30 p.m.)

Most of the announced programs simply repeat what has already been done in previous years. No thoughtful person can begin to understand why it took the government so long to do little more than produce a copy of previous programs. Certainly, participation in the programs will be less because of this delay. The consequences and results of that participation will be much