

*Income Tax Act*

restraint, that the best government is the government that does the least. So we find that summer job opportunities which the provincial government offers to students who are between study years in universities, community colleges and high schools, have been cut by 37 per cent.

We find as well that the hospitals have been told that they will have to manage in the coming year with a mere 2.9 per cent more money than they had in the last fiscal year. This means they will have a cut of about 6 per cent to 8 per cent in real dollars. They are doing the only thing they can do given the circumstances; they are either laying people off or they are not replacing people who retire. Hospital estimates indicate that by the end of the year there will be 1,000 fewer people working in the Winnipeg hospitals than worked up to this year.

We also have the situation that, up to the end of last month, according to an executive vice-president of the Winnipeg Construction Association in Manitoba, 49.8 per cent of the building trade workers in Manitoba were unemployed. The Association adds a note which says this number does not include many design professionals laid off or transferred out of the province, such as estimators, foremen, supervisors, office staff, or tradesmen including those in woodwork, tile and terrazzo, glass and glazing and acoustic tile workers. That is the situation in which we find ourselves.

Some people, including editorial writers, and some people in this House who should know better, like the Minister of Employment and Immigration (Mr. Cullen), who have on occasion lectured those less fortunate than themselves by trying to suggest the unemployment situation in this country is not really as bad as the figures indicate. What does the minister say? "It is not the primary earner who is unemployed". I wonder in what cocoon the Minister of Employment and Immigration has been living? Where has he been hiding? Does he not know that these days there are tens of thousands, particularly young people and newly married couples, who have learned to live in our consumer society in a relatively comfortable way? They have been influenced by the barrage of ads which appear daily, hourly, in fact almost every minute over television and radio and in the voluminous pages of our newspapers. Canadians are constantly being told to own their own homes, have two cars, own a summer home or take a vacation in Vancouver, England, Mexico or Hawaii. For people to own their own home, especially young people, it is almost essential that there be two wage earners in the family. However, we find that many of our best educated young people simply cannot find work.

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On occasion, our new graduates have been told by the Prime Minister that if they are not happy being unemployed in Canada, they should go to another country. Which countries will accept them when they have their own problems with unemployment?

Every day that we have one million unemployed we lose one million man-days of productive work. Every three and a half days we lose more production through unemployment than we

lost through all strikes in Canada last year. I do not see many newspaper editorials criticizing the government, the state, business or anyone else about the tremendous losses which occur to this country because of unemployment. However, let a group of workers go on strike for more than a few days and virtually every daily newspaper in this country will publish editorials condemning the strikers, pointing out the damage they create for our country when they are on strike.

Let me go back to the question of who are the unemployed and how serious it is when they are not the primary earners. The vast majority of the unemployed are not teenagers. They are adults. Of the one million unemployed, almost 800,000 are 20 years of age and older. The majority of these adults are men, about 464,000. More than half of them are married.

Compare the more than one million unemployed to the less than 50,000 job vacancies in this country and it will be clearly seen that the problem is serious. If every job vacancy were filled tomorrow, we would still have more than 900,000 people unemployed. The argument that our supposedly overly generous unemployment insurance has persuaded people not to look for work simply does not add up. As I indicated, even if every job vacancy were filled, we would still have more than 90 per cent of the unemployed looking for work.

The burden of unemployment is felt most by those who are unemployed. However, we all suffer as a result of unemployment. Dian Cohen, who writes a column which appears once a week in many Canadian newspapers, estimated that if the government had kept unemployment, not at 4 per cent unemployment which the Economic Council considered as full employment, but at 5 per cent instead of the average 8 per cent which we had in 1976, tax revenues would have increased by \$4½ billion. Unemployment insurance benefits for 1976 would have cost \$1 billion less than they did.

A Toronto economic consultant, Arthur Donner, who writes a column for the Toronto *Globe and Mail*, using a 4.5 per cent rate for 1974 to 1976 calculated that this country lost in production from unemployment \$25 billion and 600,000 man-years of employment.

The Minister of Finance and the government have told us that the government really cannot do anything more than it is doing about unemployment because we have to wrestle inflation to the ground. Every year since 1975 we have been told that we were succeeding. We were told that in the first year of controls inflation would be at 8 per cent, the next year at 6 per cent and this year at 4 per cent. The government was lucky. The first year of the anti-inflation program, inflation was down to just over 6 per cent. What do we find now? As many of us predicted, both inside and outside this parliament, anything which the anti-inflation program could do to control prices would be of a very temporary nature.

According to calculations made at the time the program was implemented, the cost of living was only supposed to rise this year by 4 per cent. According to the Minister of Finance, as late as March this year we were only to have an increase of 6 per cent in the cost of living. According to figures released on