Regional Unemployment

On a seasonally adjusted basis, the 914,000 people unemployed last year constituted 8.3 per cent of the work force. For years we have been told that between 3½ per cent and 4 per cent unemployment would mean full employment in Canada. We knew that 4 per cent unemployment nationally would mean double that in Quebec and probably close to triple that in Atlantic Canada. When we have 8.3 per cent unemployment on a seasonally adjusted basis nationally, we should not be surprised to find that in Atlantic Canada the unemployment rate is 13 per cent, on a seasonally adjusted basis, and in Ouebec it is 9.8 per cent. If they did, and took the area east of Montreal, they would find that the seasonally adjusted rate, instead of being 5.8 per cent, is probably between 14 per cent and 15 per cent. Mr. Speaker, we do not accept such high levels of unemployment in 1977, any more than any parties in this House were willing to accept, at the end of World War II, a return to the massive unemployment of the prewar years.

• (1550)

Today we have the best educated group of young people we have ever seen in this country. It is unfortunate, therefore, that a Statistics Canada report released at the end of last week said that in this country there is a glut of university and college graduates which will continue for the next 15 years, possibly creating massive social, economic and political difficulties. The report predicts that some graduates of some programs may be forced to accept low-paying jobs which provide little responsibility, little scope for individual initiative and advancement and, hence, minimal satisfaction. I am sure almost every member of this House has heard of young constituents who, at considerable sacrifice and much hard work completed courses in community colleges or were awarded Bachelor of Arts, or similar degrees by institutions of higher education, only to find after all their hard work, no work available. Often there is no work in fields which the federal government or the provincial governments have encouraged them to enter.

I suggest our society is sick, Mr. Speaker. We use our resources in people poorly, encouraging our young to attend institutions of higher education but not providing jobs for them to fill after they graduate. Our Prime Minister (Mr. Trudeau) has told the young that perhaps they should move to another country if they cannot find work in this country, as if other countries which also suffer from unemployment would welcome an influx of our unemployed.

We are not talking about difficulties which will disappear next week, next month or next year. According to studies commissioned by the government, the unemployment rate next year in Newfoundland will be 16.4 per cent, and in 1978-79 it will be 17.4 per cent. In Nova Scotia, unemployment next year will be 10.8 per cent, and in 1978-79 it will be 11.3 per cent. In Quebec, unemployment next year will be 9.4 per cent, and in 1978-79 it will be 9.8 per cent. In regions of Quebec east of Montreal, unemployment will be between 12 per cent and 14 per cent, and in areas like the Gaspé in the order of 40 per cent or 50 per cent. But the government is not worried. Last December 7, the Minister of Manpower and Immigration (Mr. Cullen) was asked to tell the House what the government

planned to do in order to cut back the high unemployment of last winter. Last winter's unemployment figures look pretty good when compared with current unemployment figures. According to the pamphlet "Unemployment in 1976", the minister expressed himself, in reply to a question as follows:

I suppose one can make statistics prove almost anything, but the unemployment rate for men 25 years of age and over—and I suggest with respect that these are breadwinners—dropped (from October to November) to 4.2 per cent from 4.9 per cent and the seasonally adjusted unemployment rate for women in the same age group fell to 6.5 per cent from 6.9 per cent. However, the rate would not have fallen, it would have risen, had not thousands of women dropped out of the labour force.

The tens of thousands of high school and university graduates who will not find jobs this summer will find cold comfort in the minister's words. I am thinking, as well, of the many women who must work part-time or full-time in order to provide their families with a decent standard of living. Surely the minister's remarks illustrate his cynical approach to the problems of this country's ordinary people.

For a number of years the Department of Regional Economic Expansion has done its work in this country. Incidentally, I note that the minister of the department is to be the first spokesman on behalf of the government in the present debate. According to an Economic Council of Canada report released last month, the federal government, despite its efforts in the past decade to narrow regional economic disparities, has not succeeded, and those disparities remain intolerably large.

The Economic Council calls the high unemployment in some areas of the country a national disgrace. I challenge any member of the House, of any party, to disagree with that observation, especially in view of conditions in the Atlantic provinces and eastern Quebec. The Economic Council said that a person's economic well-being is sharply affected by the region in which one happens to be born or raised. Their recommendations include the following: that provincial governments in poorer areas should upgrade the educational qualifications and training of the local labour force; that provincial governments in poorer areas should undertake formal studies of low productivity levels and how best to take advantage of population shifts to urban centres in order to bolster manufacturing productivity; and that the mix of federal government spending should be changed to channel a higher proportion of it to high unemployment regions. The council concluded by saying:

The council believes that the federal government's tendency to concentrate on the role of industrial structure, physical capital, endowment in natural resources and transportation in regional development has caused other equally important factors to be neglected.

The council's views do not surprise me. Any member of parliament, regardless of party affiliation, who has had dealings with people trying to work with the Department of Regional Economic Expansion will tell the same story. The federal department is insensitive to the opinions of the provinces. It will not listen to local views or consult local feelings. Federal officials assume they know all the answers. I know that in the case of my own province, Manitoba, officials were unable to reach agreement with federal officials after three