

The Budget—Mr. T. C. Douglas

had taken the appropriate steps and that these would bear fruit in the spring. Well, it is great consolation for the unemployed to know they will bear fruit in the spring. But why has the government procrastinated? Why did they not do last year some of the thing they are talking about doing now?

As we have pointed out in this debate, there are certain things which could be done immediately. Unemployment insurance benefits could be increased and the number of persons entitled to benefit could be enlarged. When I asked whether the government would do these things, the Acting Prime Minister (Mr. Sharp) said I must have overlooked the fact that the government had already raised the amount of benefit by 10 per cent. So, a man drawing the maximum of \$53.34 would get \$5.30 more. Yet the white paper says the maximum should be not \$53 a week but \$100 a week. We have asked that the categories should be enlarged and that persons who have exhausted their right to benefit should have that right extended. If we do not take action of this kind, many of these people will find themselves in extremely difficult circumstances.

We have pressed the government to amend the manpower training regulations so that young people who have not spent three years on the labour market will be able to take training. When are these young people to get training when we exclude them from the benefit of training allowances until they have spent three years on the labour market? Are they to be perpetually unemployed because they are untrained and cannot qualify as a result? If the government really wants to cope with the problem presented by unemployment among young people—218,000 below the age of 25—they ought to be prepared to amend the regulations so that these young people will be covered.

We have suggested the government should have allowed the 3 per cent surcharge on personal incomes to expire. Criticizing us today for making this proposal, the Minister of Finance said it would cost money. I want to point out that last March he said with great pride that the 3 per cent surtax would be dropped at the end of December. Why is it a bad thing, now, when it was a good thing last March? If the government was able to wipe out the tax in March, 1970 as a means of stimulating effective demand, why, in January of 1971, does it suddenly become disastrous to suggest that the government drop it? The government should have allowed the tax to expire, as was originally announced, and this would have done a good deal to leave a little more money in the pay envelopes of every worker so that he could buy more goods and create the demand the economy needs at the present time.

We have pressed the government to increase old age pensions and veterans pensions and to make the increase effective on January 1 for the same reason; this also would help to create effective demand. It is interesting to recall that last March, and since then, when we talked about increasing pensions, the Minister of Finance or the Prime Minister would say we were trying to foster inflation. Now, the government decides it can be done, but not

in time to be of help this winter. It can be done on April 1 next.

We have pressed for the removal of the 11 per cent sales tax on building materials, particularly in housing, and today the Minister of Finance complained about the loss of revenue this would entail. I want to point out that this tax was imposed not for the purpose of increasing revenue but for a different objective. When Mr. Walter Gordon introduced that tax, he told the House it was a question of slowing down building in this country because there was a shortage of both building material and construction workers. At that time, there may have been some need to cool off the amount of construction under way but surely if the sales tax was imposed for that reason, now is the time to take it off. I think the effect would be that instead of falling short of its housing target by 20,000 dwellings, the government could reach its objective next year besides putting a great many more people to work. There is no greater multiplier in the whole economy than housing construction.

I want to suggest something the government could do without waiting for next spring when housing construction will start. Our party has for a long time been agitating that the government, either on a permanent basis or as a temporary measure this year, should offer interest-free loans to individuals for home improvement. There would have to be a ceiling, of course, but there are literally hundreds of thousands of people with old homes that need to be renovated, that need alteration, that need improvement, that need to be made weatherproof, and this would provide all kinds of jobs for carpenters, plumbers, electricians and plasterers across this country. Such a program could be put into effect even in wintertime if the government were prepared to shake itself out of its lethargy.

In addition to short term measures the government ought, of course, to be giving the House details of the long term measures it proposes to take to develop a policy of economic growth and full employment accompanied by relative price stability. The government has to take action so that the country may know we are not going to oscillate constantly between boom and bust, between periods of affluence and periods of economic depression. I must say that in this debate I have been extremely disappointed that the two ministers who have replied on behalf of the government have completely failed to tell us of one concrete measure the government intends to take to relieve the misery and the hardship experienced not only by the 538,000 unemployed but probably by another 750,000 or a million, of their dependants.

Yesterday, the Minister of Labour followed the old debating technique of attacking the other side rather than tackling the problem. He began by saying there was nothing fresh from the opposition. Then he, himself, proceeded to reiterate the old catalogue of pathetic alibis in an attempt to explain why the government has done nothing about unemployment. When the minister was telling the House all the things he has told us before, about why the government could not do anything to fight