

Then, we come to the regional area which is extremely important. For some regions, the worst unemployment is yet to come. Not all provinces will participate equally in the initial stages of recovery. Daily, there are new reports of mass firings by floundering companies. Obviously, this creates pockets of severe regional unemployment not included in the national figure. When I returned to Hamilton I spoke to representatives of several industries there. These people were extremely concerned about the government's restrictive policies which leads one to the conclusion that we will see more unemployment. For one thing, the policies the government brings forward are not incentives; they are disincentives. One of the greatest disincentives was brought to bear by the fact that this monstrosity, the white paper on tax reform, was thrown upon the people of Canada. It has brought about uncertainty, fear and a lack of confidence. So long as we have this area of concern in respect of that item alone, I would say we are in trouble.

It seems to me the government does not want to back down. It will not admit that its policies have failed and tries to hoodwink the Canadian people in terms of the seasonally adjusted rate. I am very concerned about this, particularly when the Minister of Labour (Mr. Mackasey) indicates there is a problem in respect of unemployment and the striking worker. The government indicated that it was worried about man-days lost through industrial disputes and the consequent impact on the economy. One is led to believe that the industrial disputes have had a good deal to do with unemployment. My figures indicate that the number of man-days lost through unemployment in 1970 was 124.2 million and that only 7.8 million man-days were lost through industrial disputes. What further discouraged me was the fact that in Ontario, which is the one region which is supposed to have benefited from the government's policies, the seasonally adjusted rate is reduced. If it is reduced for Ontario, I respectfully state that the other provinces must be in dire straits. The provinces and the municipalities are suffering, and I am amazed at the fact that this government continually sloughs them off when their welfare rolls continue to increase rapidly with no help from the government.

The government deliberately creates unemployment and does not bring in effective reform through the white paper on unemployment insurance. Therefore, there has been no updating of the unemployment insurance payments and the same people who take advantage of the \$500 million fund are going on the welfare rolls. The cities today take a dim view of this. A recent survey conducted by the Canadian Federation of Mayors and Municipalities has served to assess the impact of high levels of unemployment on welfare expenditures at the local level of government. Fifty-one municipal units, representing 91 per cent of the total number of respondents, replied that the impact of high unemployment levels has been to raise their welfare expenditures substantially above original budget estimates. The persistence of high unemployment levels, and their consequent effect on welfare expenditures therefore, can place severe strains on the financial capabilities of some municipal units. I wonder what members from the Toronto area

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are saying in Toronto today when they meet with the Metro council? I see the Parliamentary Secretary to the Prime Minister (Mr. Danson) is smiling in his charming manner. Perhaps he will become involved in this debate and tell us what they had to say to the city of Toronto, because if they do not have anything to tell they will not be around after 1972. I believe the parliamentary secretary knows this.

An hon. Member: We will be right back here.

Mr. Alexander: I doubt that you will be back unless you become more credible in respect of the demands of the Canadian people, their problems and the fact that you do not have any solutions for them. What concerns me also is the fact that there are unemployed in every class, from professionals to labourers, from students to highly qualified new graduates who expect to find employment on graduation. There are married men who wish a means to support their families and married women who wish to supplement the family income. I notice the Minister of Finance, as recorded in *Hansard* at page 2545, stated this:

... the official opposition, the Conservative party, appears to have as many ideas about the economy as it has spokesmen. This should come as no surprise to anyone, for when they were in office several years ago—and some members of that government are still seated on benches opposite—the nation suffered through the longest and most severe bout of unemployment in the postwar period.

It is not true that unemployment was more serious in 1958-62 than it is now. On CBC News Magazine of January 24, 1971 a university economist denied this allegation by the Minister of Finance. He stated four major points to substantiate his belief that the unemployment situation is much more serious now than a decade before. The following are his four points: First, unemployment now is extremely severe among young people, the age group which is extremely vulnerable to suffering a greater degree of deprivation than other groups because of their lack of sufficient build-up of unemployment insurance benefits and so on. In 1958 to 1962 unemployment was not concentrated among the young. Second, unemployment during the 1958-62 period was concentrated among the unskilled; now, persons of all varieties of skills, including the highly educated and the highly skilled are suffering from unemployment. Third, unemployment during the 1958-62 period came after a long period of upswing in the economy; the same is not true now. Fourth, unemployment now, but not during 1958-62, has come during a period of cultural tension. This fact, in itself, calls for more government intervention to alleviate unemployment than in previous years of decline.

Let me put something else on record in respect of the comments of the Minister of Finance, as recorded at page 2546 of *Hansard*, when the Leader of the Opposition indicated—he said this on several occasions—that we should have tax cuts, particularly for those on low income and even those in the middle income group. He mentioned that he would like to see the surtax removed. He also mentioned the fact that the white paper on tax