

The Address—Hon. M. Lambert

Last week the Leader of the Opposition (Mr. Stanfield) put certain questions to the Minister of Finance on the nature of the economy and on unemployment. That esteemed minister replied that early in the week he would make a full statement on the state of the economy, a sort of mini-budget review. He was believed by the press, oh yes. So, what do we get on Tuesday? We heard a really low profile performance, what could be called a non-speech, which completely failed to meet the demands of the occasion. The minister did cover some very gloomy aspects of the moment, apart from a little contribution of about \$60 million—some of which, frankly, would have been covered by supplementary estimates anyway because the department in question had run out of money—and a few other matters to which my colleagues, particularly the hon. member for St. John's East (Mr. McGrath), will refer to later today. The minister gave no indication whatsoever as to what the government proposes to do with two very important questions at present: the real downturn in the economy, and mounting unemployment.

With regard to unemployment, I will not engage in a battle of semantics involving seasonally adjusted figures and what have you. All we know is that it is agreed that 6.7 per cent of the working force was unemployed at the last report. What will the next report indicate? Will it be 7 per cent plus or minus a fraction of a point? I do not know, but we will see tomorrow when the figure is published.

Early on in his review, the minister indicated the following:

The economy has been growing less rapidly this year than last. In the first half of the year the national output apart from price changes grew at an annual rate of just under 2½ per cent. This compares with a rate of a little below 4½ per cent in the last half of 1969.

You did not have the privilege of being in this House in 1958 and 1959, Mr. Speaker, nor did most of the members on the government side. If the minister of finance of the day had read figures like this, one would have heard groans on the then Liberal opposition side that would have been heard clear to the Pacific Ocean—and they did groan. There were difficulties in 1958 and 1959. But now the minister says it is not so bad. However, if one goes to the Dominion Bureau of Statistics reports, one sees what use the government made of statistics. The minister used selective statistics, which is particularly evident when he says that the present rate compares with a rate a little below 4½ per cent in the last half of 1969.

• (3:10 p.m.)

Let us look at what the Dominion Bureau of Statistics says in its weekly bulletin for Friday, August 28, 1970. On page 16, under "Real Domestic Product, June 1970" the report reads:

Canada's real domestic product, seasonally adjusted, fell by 1.0% in June. This downturn in aggregate production, which was almost as sharp as the strike-affected drop that took place in May of last year, marks the fourth time in the first six months of this year that aggregate production has either decreased or shown no growth. This latest decline places the R.D.P. index

[Mr. Lambert (Edmonton West).]

at a level lower than that for the previous November. In June both the goods-producing and service-producing industries declined.

I ask, is this just a little bit below the 4½ per cent average of the last half of 1969? Let us look at another index, now.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. I confess that I do not know of a standing order that covers my point, but would it not be a matter of courtesy for at least one cabinet minister to be present in the House of Commons when an important member of the official opposition is making his speech?

Some hon. Members: Hear, hear.

Mr. Fairweather: The government does not seem to care in the least for Parliament.

Mr. Lambert (Edmonton West): Mr. Speaker, I had been aware of this situation, but we know what the attitude of the government is towards Parliament.

Mr. Fairweather: It does not care for Parliament.

Mr. Knowles (Winnipeg North Centre): In fact, we have only two parliamentary secretaries present.

Mr. Lambert (Edmonton West): I also know the direction in which the cabinet has run. There is a little red light in front of a television camera and cabinet members seem to be struck with the idea that they shall be stars at the moment. They have all run breathless to that idiot box. No wonder they do not appear in Parliament. This is not the first time that someone has mentioned this administration's contempt for this House. May I continue the point I was making about industrial production? I wish to quote from the September 18, 1970 DBS Weekly Bulletin. At page 4 under "Index of Industrial Production, June 1970..." we find:

The seasonally adjusted index of industrial production (1961 = 100) declined by 0.6% in July, falling to 170.2 from the revised June level of 171.2. All of the decrease was due to the durables-centered drop in manufacturing, as both mining and utilities rose fractionally. The durables' decline was largely caused by sharp drops in the primary metals (where labour disputes were a factor) and metals fabricating components.

It is interesting to note that the July figure of 170.2 is fractionally below the 170.5 figure for May.

This reflects the true picture of the economy at the present time. Let us look at the minister's speech. He has talked about investment in residential construction. It was very much lower in the second quarter of 1970. It is at a lower level than it was in 1969. The government put \$150 million into the building industry as a result of changes in the budget provisions of March, but still housing construction, including residential construction, is off. The cause, first of all, is extremely high interest rates. In considering the construction of multiple residences and large apartment buildings as well as other large developmental projects, it is clear that the spectre of the proposals contained in the white paper has closed off every-