

investment, while the banks continue to make large profits.

**Some hon. Members:** Hear, hear!

**Mr. Allmand:** Mr. Speaker, these situations which we observe in our economic system lead me to ask further questions. What has been the role of our financial and credit institutions which have unduly promoted a dislocation in investment and spending priorities and have promoted long-term, inflexible fiscal obligations causing unemployment? What has been the role of large unions which have pressed for higher wages than their productivity would warrant and have insisted on wage parity and other demands out of line with existing economic conditions, causing unemployment?

I am putting these questions to the House because I feel they are important and should be considered. For two days I have listened to this debate, and only one cause for unemployment has been put forward by the opposition. I do not pretend to have the answers to these questions. I am merely suggesting that we investigate these things. They should not be sacred cows. We should not treat them as clichés which should not be looked at. For too long conventional wisdom has given us its opinions, as if their correctness is beyond question. I shall speak of other things that occur to me, but I say let us look at this problem honestly. I agree with the opposition; it is a most serious problem, especially in my city of Montreal. I wonder how many men have either not been hired or have been laid off because of conditions which have been imposed by strong unions and strong industries.

**An hon. Member:** Give us some examples.

**Mr. Allmand:** It is fine for those who are working to receive ever-better wages and to enjoy ever-better working conditions. But what about those who are not working, either because they have been laid off or because they have not been hired? I say this not as one who is anti-labour but as one who is an observer of a system in which only part of our working force is unionized and in which those outside the unions are often victimized by the actions of the unions.

Furthermore, I ask: What has been the role of technological change in bringing about unemployment, and how does this factor relate to government and to union policy? What has been the role of international trade in causing unemployment? How does the change in the value of our dollar fit into this situation? What has been the role of our educational institutions? Have they been directing the right people into the right areas of study? Have we overproduced people in the arts field and in the teaching field, and have we produced too few people who could be of great help in the areas of production, investment and employment?

• (8:40 p.m.)

What has been the role of our three-tiered tax system, the tiers of which do not always work in co-ordination? I

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refer to the federal, provincial and local taxing powers, including municipal governments and school boards. Have the contrary actions of the different levels of government in Canada caused unemployment? What has been the role of the central banking system? Is it too central? As the previous speaker said, should we have a more decentralized banking system in Canada?

**Mr. Peters:** With all these questions you sound like my constituents.

**Mr. Allmand:** Unfortunately, I still do not hear many brilliant comments from the other side.

**Mr. Yewchuk:** Neither do we.

**Mr. Allmand:** I listened to you for two days. Keep quiet for a while. Have our welfare and income support programs been a cause of unemployment? I suggest that we must do much more, if we are really interested in investigating the cause of unemployment, before we can come forward with answers. We should know more about the background of those who are unemployed. From what industries do they come? How long have they been unemployed? What are the regions with most unemployment? In what types of industry or commerce were these people formerly employed? I ask these questions because I feel the analysis of unemployment has been far too shallow up to this time.

Some programs have been implemented to help the unemployment situation on a short-term basis. Some of these programs have already been started by the government, others have not. There has been a public works program, an increase in unemployment insurance, and tax cuts. All these are short-term solutions. There should be an intensive study—into the causes of unemployment and programs for full employment and price stability.

The other day the hon. member for Winnipeg North Centre (Mr. Knowles) suggested that a committee of this House be set up to study the problem. He gave the impression that this committee would only hear grievances. I support him in the establishment of such a committee; however, I do not think the committee should merely hear grievances. I think that a committee of this House, embracing all parties, should be set up to study and identify the basic causes of unemployment at this time and to suggest solutions. In addition to hearing grievances, the committee should hear witnesses, question conventional wisdom, slogans and clichés of both the right and the left. It should attempt to solve this serious problem. In addition to Canadian experts, the committee should interview experts from abroad. I would like to see the committee examine such people as John Kenneth Galbraith.

**Mr. Peters:** Maybe he could answer some of your questions.

**Mr. Allmand:** I wish to suggest a few short-term solutions. Although they may appear to be simple, I offer them to this forum for discussion. The suggestions are not new. The government should negotiate with labour,