

*Unemployment*

job, then those tools must be transferred to the federal government if it is to assume the task.

However, even if in the eyes of the people of Canada the federal government is responsible, and even if we accept that responsibility, I do not for one moment suggest that we should do the actual work. Clearly it has to be done through the junior governments, both provincial and municipal. Obviously the government has neither the personnel nor the intimate knowledge to deal with the problem at the local level. It would simply have to be done through the junior government.

What I am getting at is that if this government wishes to accept this responsibility, then the provincial governments must be willing to give them the jurisdiction, give them the finances and give them the opportunity to work out this tax aspect. I think that can be done. We are having a dominion-provincial conference, and I think at that conference long steps forward will be taken.

It may be that this will be a fairly long-term thing. I do not believe these constitutional problems can be worked out overnight or in a matter of months, as the hon. member for Eglinton suggested. I feel the hon. member would be the first to admit, if he were being fair, that you do not work out these problems overnight, nor do you even understand them overnight. It takes a long period of time, not only to work them out but to understand the implications of what you are trying to work out. These things will come. I believe this government, and all governments following, will be in the position that they will have to accept jurisdiction for this problem. We have, of course, accepted jurisdiction for some aspects of the problem in that we have unemployment insurance. This has been a great boon, and it has been extended from time to time. Doubtless it will be extended further.

I have heard a great deal of talk here about public works, how the federal government should have a shelf of public works available. The federal government did have a shelf of public works, but employment was at a high level for such a long time that these public works had to be implemented. We could not wait forever for a depression which, I might say, several parties in this house were forecasting from year to year. These programs had to be implemented.

But even if we had waited with a large shelf of public works, they are only a partial answer to this problem. It has been suggested that the St. Lawrence seaway, which is one of the big public works projects in

this country, will only employ 15,000 people as a maximum. Fifteen thousand people employed on a large construction program in this country would be a great help, but that is not the answer to the problem. Even if we had a shelf of public works right across this country, that would be of assistance but it would not be the absolute answer. It cannot be the absolute answer. You cannot employ that many people on a public works program when you have serious unemployment.

In addition we have had the defence production program. We recognize that defence production employs a lot of people. I believe it is recognized that defence production will continue for many years, in the light of this cold war in which we are now. From now on, however, there is likely to be a levelling off of our defence production program. I do not think we can assume that is the answer anyway. Obviously, anything connected with armaments is not the answer to employment. It is a help, but it is a temporary thing. Surely if our economy depends forever on armaments to keep employment at a high level we have not faced or answered the problem. At least, in the meantime it is of assistance.

There is another point about public works that many people know but do not seem to appreciate, and that is the question of the mobility of labour. A country such as this has many untapped resources, many large areas in which there is very little civilization, and it might well be that you would desire to carry on some construction program in one of those areas. This means you have to have a certain mobility of labour. The mobility of labour is decidedly limited, and I think it is getting more limited all the time.

There are a number of reasons for that. First of all no man, unless he is single, wishes to suddenly pull up stakes and move 2,000 miles to put up in a bunkhouse somewhere and live under rather primitive conditions. Second—and I am not criticizing the unions for this—the unions have insisted on certain privileges for the men. They have given the men seniority rights and pension plans.

I appreciate everything the unions have done for the Canadian people. I think one of the best things they have done is to give everybody a stake in the country, and thus form a great bulwark against communism generally. Once a person has a vested interest in a pension plan or has a fair degree of seniority in a company, he is going to think a long time before he gives up those privileges or rights which he has won, to go to