

*Economic Policy*

and it should be considered as having been done by both the government and the private sector working in concert.

Where has unemployment come from? Back in the mid-1950's we were dealing with about 60,000 young people a year leaving school and coming on the labour market. In the last couple of years this figure has grown to about 200,000. This is a factor of slightly over three. During the same period of time, the population of Canada has only grown by about 35 per cent. Therefore we have a massive influx of young people coming on the labour market. That is the first factor. Of course this has been very expensive because we had to build a large number of new schools, which were quickly filled, but now we are finding some of those schools are occupied below capacity. We have had to build a large number of new houses, which eventually will no longer be necessary.

● (2030)

We have massive labour problems in this country. It might be helpful to examine some demographic figures. For example, at present those between the ages of 18 and 24 comprise about 13 per cent of the population, as compared with 12 per cent five years ago. In ten years that group will comprise slightly over 12 per cent of the population, and at the turn of the century less than 10 per cent. These figures suggest that in future there will be labour shortages. As the present population grows older, fewer young people in the labour market will be asked to support much larger numbers of retired people.

It is important to point out that women have increasingly entered the labour market for jobs, and increased the labour force.

**Mr. Peters:** Women work because they are forced to help with the support of their families.

**Mr. McRae:** In 1953 women made up 20 per cent of the total labour force. By 1975 that figure had risen to 33 per cent. Let me break these figures down into age groups. It is significant that in 1953, 23 per cent of women between the ages of 25 and 44 were in the labour force. By 1974, according to figures I have seen, 47 per cent of that age group were in the labour force. What are the figures for the older age group? Seventeen per cent of women between 45 and 65 were in the labour force in 1963, as opposed to 37 per cent, according to the latest figures.

We use an index known as the participation rate, and understanding that index may help us to understand our dilemma. The participation rate is the figure arrived at through dividing the number of people in the labour force actually working by the number of people in the population over the age of 15. That gives us an idea of the percentage of Canadians who are in the labour force actually working. That figure has grown dramatically. In 1963 the participation rate was about 53.8 per cent, which means that 53.8 per cent of people 15 years and older were actually employed in the labour force. The figure for today is 59.7 per cent, unadjusted and, adjusted, as of February it was 61.3 per cent. Actually the participation rate went up in the last month by 0.3 per cent.

[Mr. McRae.]

We must bear these figures in mind when considering unemployment.

Clearly there has been a massive movement of young people into the labour force. The rate for that group has tripled in the last 15 years. There has been a sizeable increase—a doubling in the number of women entering the labour force, and we now have a high participation rate. When you consider all this, and consider that per capita the influx of people into the labour force has been greater in this country than probably in any country in the western world, it becomes clear that we, as Canadians, have done well. I am not saying that we should not do more, but we have done well. All the same, it is clear that the answer to our problems is not simple to find.

Compare what has happened in this country with what has happened in the United States in recent years. I am referring to OECD figures which have been compiled in such a way as to give uniform results, since various countries approach these matters somewhat differently. According to OECD figures, in 1975 unemployment in the United States stood at an average of 8.4 per cent, whereas it stood at 7.0 per cent in Canada. In 1976 the United States unemployment rate came down to about 7.6 per cent, as opposed to our rate of 7 per cent. Today the figures of both countries are roughly similar; I have not seen the latest figures, but I understand that our rates are comparable. Therefore we cannot say that our government's programs have been a complete "bust." True, there has been a massive problem; we have gone some way toward solving it, and there is still much to do.

Let us break down some of the unemployment statistics to see where the significant unemployment exists. If we consider the breakdown by sex and age we shall find—

**The Acting Speaker (Mr. Turner):** Order, please. I regret to interrupt the hon. member to inform him that his allotted time has expired. He may continue with the unanimous consent of the House. Does the hon. member have unanimous consent?

**Some hon. Members:** Agreed.

**Mr. McRae:** Mr. Speaker, I thank hon. members. I will not take long.

It is apparent that there are two major groups of unemployed. First, there is a major unemployment in the group 15 to 24 years of age. As well, there is very high unemployment in some of our regions. But there is not unemployment in all regions. For instance the unemployment rate in Alberta today is 4.6 per cent, but in Newfoundland it is 17.4 per cent. Clearly we have two structural, major problems. We know that many between certain ages are unemployed, and we know that people in some of our regions are unemployed. I suggest that the problem of the regions is by far the more difficult to solve. I wish I had time to deal with this question. We have tried our best to deal with this question by introducing standard solutions, at some of which we ought to look. I do not think I will have time to develop my ideas fully.

**An hon. Member:** Go ahead.