

Government Administrative Policies

Mr. Deputy Speaker: I am sorry to interrupt the hon. member, but I am afraid his time has expired.

Some hon. Members: Carry on.

Mr. Deputy Speaker: Is there unanimous consent to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Douglas (Nanaimo-Cowichan-The Islands): I thank the House for its kindness, Mr. Speaker, and I assure you I will not trespass too long on its indulgence. I wish to mention three things that we have been urging the government to do, and which we again urge it to implement.

The first is to call a conference of the business interests and of organized labour, and sit down with them man-to-man—not through some third party—to work out a policy by which we can get maximum production in Canada without the ravages of inflation.

I am convinced that if the government approaches this with firmness, with some sound policies to place before business and labour, it can get their co-operation. I am not suggesting that you can make everybody happy, but I am sure that a consensus can be worked out. I am equally certain that the members of this House on all sides would support the government if we could see clearly where the government wants to go, if we knew it had a goal, and if we knew it had the policies that would enable it to attain that goal.

The second thing we urge upon the government is that it should adapt an expansionist policy to relieve unemployment. There can be no excuse for unemployment in this day and age. Keynesian economics have demonstrated that when you have the raw material and when you have the manpower, it is quite possible to keep people fully employed producing the things they need for themselves, and trading the things they don't need for themselves for commodities which they can import from abroad.

The government could start by a massive injection of funds into the housing programs. The drop in housing starts is a scandal. It is inexcusable at this time to have over half a million people unemployed and housing starts going down. The government could help the situation by dropping the 11 per cent sales tax on building materials. That sales tax was put on at a time when the government

claimed there was a shortage of trained manpower and a shortage of building materials.

The government said at that time that the 11 per cent sales tax was not nearly so much for the purpose of securing more revenue as it was to slow down the accelerated rate of construction. There is no need to slow down the construction rate now, Mr. Speaker. We want to speed it up. We want to put people to work not only in the construction industry but in transportation, in the logging camps, in the factories that make light fixtures and plumbing fixtures, so as to give our whole economy a shot in the arm. The government can do this by a massive injection of funds into the housing programs, and by removing the 11 per cent sales tax.

The government could also help by putting more money into urban renewal projects. One has only to read the discussions that took place at Halifax, at the Federation of Mayors and Municipalities Conference, to see there is hardly a city in the country that is not anxious to rebuild and clear up its slums. The government would have no difficulty at all finding projects all across Canada that would put unemployed people to work.

Money could be used for socially essential programs such as building hospitals, nursing homes, and housing for the aged. The government could re-institute the winter works program so that next fall and winter municipalities could absorb many of the unemployed in municipal projects. This could be done. Such policies have been useful in the past and could be useful again. The government could lower interest rates on a selective basis, mainly for two categories; first, for money going into expanding industry which would create more jobs; and second, for socially useful projects such as housing, urban renewal, hospital and school construction, etc.

• (4:20 p.m.)

The third thing I suggest is that the government consider the advisability of selective control on prices, profits, rents and all forms of income. I know the government will argue that the expansionist program I have been talking about will speed up inflation. But surely, Mr. Speaker, no intelligent person is going to accept the Hobson's choice that we must either have painful unemployment and an economic slowdown or inflation. Surely, it is possible in the modern economy to have relatively full employment, a rising standard of living and at the same time to retain a measure of price stability. If it is not, then

[Mr. Douglas (Nanaimo-Cowichan-The Islands).]