

Economic Policies and Unemployment

year for students, because they cannot all be hired. If they are unable to find a job and earn an honest and decent living in Canada, they will do something else.

A 20 or 22-year student cannot live on his father who is perhaps a miner or laborer. Indeed, he cannot say to himself: I count on my father's income to live through the summer months before returning to school in September.

It is a rather serious situation. But what is paradoxical in all this, is that if war were declared tomorrow, and all government members are aware of it, all the young people in the country would easily find employment. We would not hear any more about difficult years for students as the government would shove all these young people between 18 and 25 into the Canadian armed forces where they would be clothed, housed, fed and paid. And there would be no shortage of money and no economic problem.

However, when it comes to developing the country and promoting the Canadian economy, then the government says it is unable to help the young people. Of course, current solutions proposed with a view to curbing inflation contribute to the deterioration of our present situation.

Credit restrictions exist and monetary and fiscal issues are brought up. In the name of the monetary and fiscal policies, hardships are forced upon all sectors of the economy and industrialists are concerned about the consequences of a restrictive policy. Farmers are dissatisfied as well as producers in every field of production in Canada. Those restrictions result in a poor distribution of production, to the dissatisfaction of consumers, especially those deprived of the bare necessities, when there are abundance of commodities. However, the government still maintains credit restrictions.

Reference is often made to the monetary and fiscal consequences of such measures. We were told recently that the Bank of Canada lowered its discount rate from $7\frac{1}{2}$ to 7 per cent or from 8 to $7\frac{1}{2}$ per cent, that is, $\frac{1}{2}$ point, but this failed to bring about an economic recovery.

The services of the Bank of Canada should be used. Indeed, the Minister of Finance, who is in the House, admits that the Bank of Canada is the financial institution of the Canadian people. It is the institution which ought to supply the credit required to give new impetus to the economy.

And I sincerely believe that the reasons why the Bank of Canada was founded in 1934, have been forgotten.

The Bank of Canada, under the act that established it, is responsible for regulating currency and credit in the best interest of the Canadian economy. As a matter of fact, the purpose of the Bank of Canada is not to tolerate a decline in the economy, as is the case at present, but to maintain a constant rate of economic growth that will make it possible to hire the greatest possible number of today's unemployed and students who are already on the work market.

Mr. Speaker, it is not that the physical possibilities or the development possibilities that are lacking. In my own riding, the mines that were hiring 1,200 to 1,500 students last year, will hire only 230 to 235 this year.

Everywhere there is a decline in Canada, precisely because industry is worried about what will happen next. Yet, in my district there is a huge potential of new mining industries, as dozens of new companies could start operations if they could be given some assistance.

The situation is the same in other fields. Yesterday we heard about textiles and on other occasions about wheat, or the dairy industry. The problem is everywhere but nothing is being done to develop our resources. If dozens of mining companies could continue operating in my district, they could supply work for 2,000 to 2,500 students this summer. However, not a finger is being raised and yet we are able to help emerging countries to develop their resources.

• (2:10 p.m.)

We recognize without reservation that the assistance that Canada can provide to the under-developed countries for the development of their natural resources is not to be condemned. But, if we can do that for other countries, we can also do it for our own citizens. And if we did it, unemployment would be eliminated. This does not mean that everybody would find a job because, not only I am not a supporter of full employment but my opinion is that the more man progresses the more the human capital will be replaced by technology and automation.

Confronted with progress, science and automation there are men, women and children. Should we conclude that progress, science and automation have been invented to punish mankind or to serve it? If the machine has