

*Canadian Economy*

Let me look at the incidence of unemployment among men, women, young people and the middle-aged across this country. I find that 13.3 per cent of the young people between 14 and 24 years of age are unemployed. This is a serious situation. We talk about providing young people with opportunities to develop, to become established in the work place, in business or on the farms. We talk about young people acquiring skills and training. Yet we find that 13.3 per cent of the young people in this country are unemployed, compared to 10 per cent last year. This is an increase of 3.3 per cent, or a full one-third of the young people in Canada. What is the government going to do about this? What solutions does the government advocate to bring down the rate of unemployment in Canada? These are the things I want the parliamentary secretary and other government spokesmen to comment on later in this debate.

Recently we have heard very disturbing and serious rumours about cutbacks in government expenditures in certain areas. I think this will only aggravate unemployment in Canada. There are many areas where I think the government should cut back on spending. The government is spending money on Information Canada which I think in many respects is just a duplication of service. The federal government provides hefty contracts for outside consultants, many of which I think are unnecessary. We also have that other place which is an undemocratic institution, spending millions of dollars every year in order to provide a few so-called second, sober thoughts. I think expenditures like these are unnecessary in this country.

There are several other programs under way in respect of which we could cut out some government fat and waste, including high salary increases for deputy ministers and senior executives. In these days, during the fight against inflation, I think these increases set a bad example and have in themselves an inflationary effect across the country. When the government talks about cutting back on expenditures, I hope it is not thinking in terms of cutting back on programs such as equalization payments to the poorer provinces. I hope it is not thinking of cutting back on cost-sharing for hospitalization and medicare which enables the poorer provinces to maintain the standard of health care enjoyed by provinces such as Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. These are the areas in which the government must not cut back.

Let me say also, that if the government is going to eliminate LIP and OFY projects something else will have to be put in their place. Where will all these young people find employment if the jobs provided by OFY projects are eliminated? A number of young people employed in these projects fall within the 14 to 24-years old category. Many young people in the city of Yorkton, in my riding, would have to go on welfare if the LIP projects or the LIP program itself were eliminated. People in the Metis society in the city of Yorkton would be unemployed again if they were not working on projects under LIP. If these projects are to be eliminated, let us have some long-term, ongoing projects put in their place.

I question the economics of some of these short-term projects, but I do not want to see them scrapped unless something is put in their place that will enable Canadians, regardless of their background, educational or social, to

work and provide for their families and make a contribution to this country. What we need in Canada is a planned economy. We need a concerted effort that will reduce inflation but put the people to work. We need a full employment policy.

Let us consider three or four areas at which I think the government should take a very serious look. I am thinking of the area of housing, where we have extremely high interest rates and high construction costs, yet a shortage of houses that fewer and fewer people can afford to buy. The government should be forcing the banks to lower their interest rates and allocate a far greater portion of their investment portfolios to the housing area. This would increase the supply and bring down interest rates and the cost of housing. It would, at the same time, stimulate the economy by providing more jobs in construction and in the forest industry in place of high unemployment such as New Brunswick, Quebec and parts of British Columbia. This is something the government could do to bring down unemployment and at the same time bring down the high rate of inflation and the high cost of housing and shelter for the Canadian people.

Another area in which the government could move is that of food production and cost. The government should move very quickly on a stabilization program so that farmers in this country will have price guarantees for their products. If they had price guarantees there would be a much more consistent pattern of food production. With a more consistent production pattern there would be more consistent pricing at the other end. If you have orderly marketing, farmers can afford to produce more food, and if there is more production the chances are that inflation at the other end, where men and women purchase food at the retail level, will not be as great.

I would also look to the area of the resource community. It is this area about which the hon. member for Athabasca is so concerned. He is concerned about increasing government expenditure in the resource field. I suggest that is a laugh. The government has not gone far enough toward intervention in the field of natural resources in this country at the federal or the provincial level. Petro-Can has been established, but the main criticism I have in that regard is that its funding will not be great enough. What the government should be doing is nationalizing Imperial Oil. The governments of Alberta and Saskatchewan should be establishing a publicly-owned oil industry in this country.

**An hon. Member:** What about potash?

**Mr. Nystrom:** I suggest that the government of Saskatchewan has undertaken, in respect of potash, one of the most progressive and advanced moves taken in this country for a long time. This example set by Saskatchewan should be followed by the federal government and provincial governments right across this country. The renewable and non-renewable natural resources of this country should be publicly-owned. The fact is that for the most part the resources are foreign-owned. Let me spend my last two or three minutes in this debate discussing the potash situation and trying to enlighten some of the Liberal back-