

Canadian Economy

before the end of this month with respect to replacing the Veterans Land Act.

Mr. Lambert (Edmonton West): The minister gave a solemn undertaking that he would do something.

Mr. Sharp: Mr. Speaker, I thank my associates for their hopeful comments. I am greatly encouraged by seeing so many empty seats opposite. I hope we will be able to make rapid progress. Perhaps I can say to the NDP House leader that I consulted the Minister of Veterans Affairs, who wrote that the reference—probably next week—would be suitable.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, if I may raise a supplementary point, has the minister had discussions with the Minister of Veterans Affairs about the other matter to which I referred? We had the solemn commitment that there would be an announcement before March 31. If we break for Easter, we shall adjourn three or four days before that date.

Mr. Speaker: Orders of the day.

GOVERNMENT ORDERS

[English]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—REQUEST FOR NEW BUDGET TO IMPROVE CANADIAN ECONOMY

Mr. Edward Broadbent (Oshawa-Whitby) moved:

That this House urges the government to introduce, within two weeks, a new budget, for the purpose of dealing with the increasingly dangerous state of the Canadian economy, and specifically to cope with mounting unemployment, the housing needs of our people, and the scourge of poverty.

He said: Mr. Speaker, before I deal with the reasons for my party's recommendation for a new budget within two weeks which is to deal with unemployment, poverty and difficulties in housing, let me say something about this country's potential for industrial and social development which could be realized given the right kind of political and economic leadership. We are one of the world's richest nations in terms of natural endowments. Given the size of our mineral deposits, our gas, oil and lumber resources, our agriculture, and our potential for developing our sea resources off the east and west coast we are, by any standard, one of the best endowed countries in the world.

In addition, our labour force is able and determined to work and—perhaps this is more important—it is highly educated. Clearly, our abundant natural endowments and our highly educated labour force make us unique. Unlike the countries of western Europe, Japan or the United States—unlike other industrialized nations—we do not depend on imported raw materials for our development. Unlike the labour forces of third world countries and undeveloped nations, our labour force is highly educated. We are, then, unique in our, then, advantages.

[Mr. Knowles (Winnipeg North Centre).]

Of course, I am speaking of our potential, which can only be mobilized with the right kind of political and economic leadership. But what about present economic reality? What is happening in March, 1975, shows that reality falls short of potential. Let me put on record four important items. First, we have high and increasing levels of inflation. According to the most recent figures, the cost of living in February, 1975, compared with that of February, 1974, increased by 11.8 per cent. There is every indication that that inflation rate, or one somewhere in that neighbourhood, will persist for the rest of the year. This is an extremely bad situation for millions of Canadians, particularly those on low incomes.

● (1520)

Secondly, we have high and increasing levels of unemployment. The most recent figures show that in the month of February, 1974, there were 635,000 unemployed in Canada. In February 1975, the total number of unemployed had increased to 839,000. In percentage terms, this is an increase from 6.8 per cent to 8.6 per cent of unemployed Canadians. There are 839,000 men, women and young adults out of work in Canada, the highest figure since the depression.

The third point I wish to make, in terms of adding to the general description of the current economic situation, pertains to our trade position. Measured in real dollars, Canadian exports have been at a virtual standstill since the last quarter of 1972. In fact, if the current trend for this year continues it is expected that by the end of 1975 the drop in our trade position will be the largest, in absolute terms, for any year since 1954: it will be the largest drop in 20 years. In contrast, Canadian imports have continued to rise. Indeed, the rate at which our imports are rising and our exports are declining has led experts to predict that we could be in for one of the worst years, in terms of trade, since the depression. These are not experts within the party structure of the House of Commons nor, indeed, within the government; they are people in the academic community and other sectors outside of government—the business community, for example.

The fourth point I wish to make is also in the context of our discussion on import and export trade. Ministers of the Crown, in particular, when talking about our problems of foreign trade should really refer to our imports and exports vis-à-vis the United States. We are not, in any meaningful sense of the term, a world trading nation: we are a trading nation with the United States of America. Sixty-seven per cent of our exports go to the United States. In dollar terms the vast majority of these exports are unprocessed, undeveloped raw materials. At the same time, 69 per cent of our imports are from the United States. Most of these, of course, are in the form of finished goods; they have built into them more jobs per dollar invested than occurs from investment in the raw materials sector of the economy.

These are four general economic points. We have high and increasing rates of inflation and high and increasing rates of unemployment. We have declining exports and increasing imports. The fourth point—our import and export trade—is, and has been for many years, almost exclusively a matter of trade with the United States and