tunities to work. Fortunately, with improvement in technology these opportunities have now been increased; nevertheless, the climate is a very real factor in Canada.

• (8:10 p.m.)

What is this figure of full employment that we are to strive for at the cost of all other considerations? We gather from the deputy leader of the New Democratic Party that his view is that the regional economic expansion programs are ineffective and that the government should aim for full employment at any price of inflation; that the moneys presently being spent in the less advantaged regions of Canada should be used to supplement welfare payments for the people in those regions where the benefits of an all-out inflationary policy of full employment would not directly flow; that we put these people on welfare and forget them. I find that very hard to accept.

It has also been suggested that immediate tax cuts be made. The Minister of Finance (Mr. Benson) has indicated that this year the government will be in the market to borrow $2.2 billion. How much more would hon. members opposite have the government borrow? How much more inflationary pressure would they have the government put on the economy? Let us have some real, solid suggestions. If hon. members subscribe to a 6 per cent reduction in income taxes, as some hon. members opposite have suggested, this will add another 50 per cent to government borrowings and will run the government close to $3.5 billion for the year, which should have a fairly significant impact on the money market in Canada and on the ability of corporations to obtain financing. It certainly should have a fairly significant impact on interest rates.

The government stands by the economic measures it has taken in its December budget which have been aimed at alleviating in a selective manner the economic problems of Canada in areas where those problems are most serious. I am not going to catalogue all the things this government has done since its initial decision last March to implement expansionary measures in our economy, but they have been significant. Among these measures are the Lift program for the Prairie farmers, additional loans through CMHC for low-cost housing, extra-mortgage funds for the Farm Credit Corporation, extra loans for the Department of Regional Economic Expansion, the accelerated transfer of tax revenue to the provincial governments, the summer employment program for students both last year and this year, extra money to finance housing units in August last year to the tune of another quarter of a billion dollars—money directed into the housing market about which some people have expressed concern today—new capital and operations program, plus increased manpower training allocations last October. Then in the December budget the government introduced many selective measures aimed at alleviating economic problems in areas where those problems were greatest.

Hon. members have suggested today that the government should immediately seek a further significant reduction in interest rates. Interest rates today are the lowest they have been for a long time. For example, today's rate for 91-day treasury bills is 3.02 per cent, and for 182-day treasury bills, 3.08 per cent. Long-term borrowing today is at an average of 6.7 per cent, which is down from 8 per cent last fall. These are very significant reductions and are indeed the lowest rates Canada has experienced for a long time.

It has also been suggested there should be a massive injection of funds into housing, both new housing and for rehabilitation. Speaking in this Chamber on February 10, the Minister Without Portfolio responsible for Central Mortgage and Housing Corporation (Mr. Andras) indicated a number of facts concerning the government's housing program for this year. It is evident that some members need to be reminded of those facts. The government has, of course, been pursuing a policy that has set a target of at least one million new homes for the five-year period 1970-74 inclusive. This year's total budget to be spent through Central Mortgage and Housing Corporation is $942 million, compared with the 1970 budget of $854 million. We are anticipating approximately 220,000 housing starts this year. By comparison, in 1970 there were 190,000 unit starts, which was the third best year in Canada's history—and this despite the economic conditions that prevailed.

In direct terms of employment, it is anticipated that this year's housing program will mean a minimum increase of 60,000 man-years of employment geared directly to housing construction. Of course, there are also many indirect benefits as well as many jobs created indirectly. With respect specifically to the question of rehabilitation, the Minister without Portfolio indicated in his speech that section 40 loans through CMHC would amount to $172 million. That money, of course, is available not only for rehabilitation but for the purchase of old housing stock.

It has been suggested that immediate mandatory price and wage guidelines be implemented. Two suggestions were made in this regard. The first was that a limit on profits be instituted related to long-term experience. It is a well known fact that business profits at the present time are well down over the long-range average. This is a regrettable situation for the Canadian business community, but it is true. The suggestion that a limitation on profits related to long-term experience be implemented by way of curbing profits is, of course, manifestly an absurdity. Any such limitation imposed today would mean a guideline for profits considerably above those that are currently being earned. This is no control in the sense that was proposed.

It has also been suggested that wage increases should be limited to increases in productivity. This, of course, is an axiomatic suggestion when put in over-all economic terms, because any aggregate of wage increases that exceeds the total increase in productivity in a given economy is obviously inflationary. That is what inflation is all about. However, to suggest that such policy could be made to work on a selective basis is totally to ignore the fact that in the service industries increases in productivity are terribly hard to ascertain, and in any case