

Alleged Failure of Employment Policies

they will have more liquidity to promote the development of private enterprise, whereas the public sector will be financed direct by the Bank of Canada. It seems to me that you don't have to be able to set the Thames on fire to understand that. The hon. member for Chambly (Mr. Pilon), who is a former bank manager, has grasped this long ago.

Mr. Speaker, I am convinced that the solution we are proposing is sensible. We are given this afternoon an opportunity to express our views. The motion of my good friend, the member for Oshawa-Whitby (Mr. Broadbent), makes it possible for us to propose our solution. His own proposal is worthless because it is impracticable. If we are to use machines, science and progress, we will never achieve full employment. But we can, however, arrange for full spending by organizing the purchasing power so as to enable us to buy the goods, thus creating new employment, because factories will resume production. Then we shall achieve full employment through full spending. Consumption would be perfectly balanced with production and, consequently, so would be the Canadian economy.

That is what we hoped for. In my opinion, the present government can do it. I sincerely believe that the government members should take the trouble to look fully into this problem, perhaps not in the House, but in caucus or at the Cabinet meetings, because it is high time it were done. Let us not wait until it is too late. Indeed, let us not wait until bombs are placed under our seats in order to blow up the whole economic or administrative structure of Canada. Let us act while it is still time and if we assume our responsibilities right now, we will avoid the worse. I actually predict that in five years, the situation will be disastrous.

[English]

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I am glad the minister has been in the chamber for part of this debate. I am not going to give the whole picture, which was presented so well this morning by my colleague the hon. member for Oshawa-Whitby (Mr. Broadbent), but there are certain aspects of it that are especially important and which I should emphasize. I think it is important that we have people from different parts of the country to deal with this important matter.

In spite of the expectations of the people that great things would be done by this government, they are beginning to realize that in

[Mr. Caouette.]

the important things the bread and butter issues, this government is showing a deplorable lack of efficiency. If there is one matter on which this government prides itself, it is the fact that it is efficient. It feels that although it may be lacking with respect to some less important points, it is impossible to find points where it is not at the height of efficiency.

However, many Canadians are coming to the conclusion that Canada simply cannot afford to continue the government's policies of creating unemployment through lay offs of public servants, cutting down public services, appeals for restraint to private industry and measures of compulsion in respect of persons with low income. All this has a tendency to create the psychology of recession—a psychology which is ill-suited to the country in which we are living. Canada has such good resources that we still have emigrants coming from other countries. Other nations still look upon us as one of the greatest treasure houses of the world.

These government policies of creating unemployment are far too costly even for a country with our resources. Throughout Canada the relief rolls are increasing. Taxpayers are becoming more and more alarmed as they see their money being used to keep people idle, people who should be working and, more important, people who want to be working and can find no opportunity to do so. In my own province of British Columbia the number of individuals and families receiving public assistance has almost doubled in the past 8 years. As the years go on, the rate increases. Today the number of people on the relief rolls is frightening, and this number is continuing to rise at an alarming rate.

The worst thing about relief is that once it is necessary for a family to accept it, the tendency is for the family to stay on relief. This applies not only to the family presently on relief but to generations which follow. In some cases we see that the third and fourth generations born into relief situations are unable to get out of that trap of poverty. The young people have no chance to escape. It is too costly to continue in this manner, not only for the taxpayers who are paying money unnecessarily and the people who want to be working, but the economic loss in productivity to our economy is staggering.

The Economic Council of Canada estimates that the loss to our economy of unused human resources is between \$2 billion and \$4 billion every year. Because we do not use the