

the problems resulting from the unemployment situation—but it is also placing a very great burden on the Provinces which administer welfare directly and on the municipalities which administer welfare in other parts of the country. I know that in my own Province of Newfoundland, where we have an official unemployment rate of 21 per cent and a real unemployment rate more like 25 per cent, one in four is unemployed, the Government has had to tighten up on the administration of welfare and, as a consequence, people have had to go without. I have seen evidence of that; they have been in to see me. Now, I would have liked the Minister, who has left the House—that is the problem with this Government; it does not listen.

**Mr. Evans:** That is a cheap shot.

**Mr. McGrath:** Mr. Speaker, that is not a cheap shot. I listened to the Minister. I was in the process of replying to some of the things she said, and she got up and left the House. Now there is the cheap shot, not my drawing attention to it. I would have expected that she would have made some reference during the course of her speech to the necessity of dealing with this unemployment situation from a social point of view. It was supposed to have been addressed in the budget of the Minister of Finance (Mr. Lalonde). I would have expected the Minister responsible for social welfare in this country to have convened a meeting with her provincial counterparts to see how they can cope with the burden placed on the Canada Assistance Plan, the burden placed on the Provinces and municipalities administering welfare, and the burden placed on the voluntary sector, to see how the federal Government can assist these groups. But no, the Minister sits there complacently, saying that she is very pleased to say we have not cut back on social payments because of the recession. But she failed to admit that because of the depth of the recession, because of the size and length of the unemployment problem, undue and unexpected problems have been created. These are problems, Mr. Speaker, referred to by the Canadian Conference of Catholic Bishops in their unprecedented statement made immediately after the commencement of the new year. I quote from their statement:

We have seen the social realities of abandoned one-industry towns, depleting unemployment insurance benefits, cutbacks in health and social services and line-ups at soup kitchens. And we have also witnessed first-hand the results of a troubled economy: personal tragedies, emotional strain, loss of human dignity, family breakdown and even suicide.

That is the social dimension of the problem, dramatically highlighted by the Bishops in their statement which we had hoped would be addressed this afternoon by the Minister of National Health and Welfare during the course of her speech. The Bishops went on to say, and the Minister obviously does not appreciate this fact, that there is nothing normal or natural about present unemployment rates. Indeed, massive unemployment, which deprives people of the dignity of human work, and inadequate family income, constitute a social evil. That, Mr. Speaker, is the kind of sentiment we would have liked to have seen addressed by the Minister today during the course of her speech in the House. She does have a responsibility to the people of Canada.

### *The Budget—Mr. McGrath*

But let us see what the Minister of Finance has to say. He certainly identified the problem during the course of his budget address, or he pretended to address the problem. He attempted to deceive the people of Canada. I have described the budget as a terrible hoax on the unemployed, which is precisely what it is. Listen to what the Minister of Finance had to say. He said, "My dominant concern in preparing this budget has been to help the more than 1.5 million Canadians who want work but cannot find jobs." I intend to examine what the Minister proposes to do in the context of that statement.

● (1640)

Then, in the course of his budget speech he went on to say, as reported at page 24668 of *Hansard*:

But the job losses we have suffered in this recession have been severe and, as employment begins to grow again, many workers who withdrew temporarily from the labour force will once again seek work. This will maintain upward pressure on the unemployment rate.

The unemployment rate is forecast to average 12.4 per cent this year, according to the Minister, and will only fall to 11.4 per cent in 1984. This means that we must reconcile ourselves to the prospect of over 1.5 million of our fellow citizens in this country unemployed and unable to find work. Of course, if we consider it in realistic terms, one is speaking more in terms of two million people this year. Given the growth in the labour force, according to these forecasts there will be something approaching two million people out of work in 1984.

Where does the Minister address the concern which he expressed in his budget? In March of this year, the official rate of unemployment stood at 12.6 per cent, representing 1.658 million Canadians out of work.

Let us consider youth unemployment, with 21.3 per cent represented, or 621,000 young people. We are speaking of young people between the ages of 15 and 24. If one takes that into account in terms of the total labour force, one finds that they account for 25 per cent of the labour force. Therefore, young people represent 40 per cent of the unemployed.

Of course, I could go on and speak of the long-term unemployed. Almost 1 million Canadians, well over 900,000 people in this country, have been unemployed for three and one half months or more. Since August of 1981, we have seen the loss of 523,000 jobs in this country. Let us go back and see how that compares to other years. Between 1973 and 1980, there was an average of 271,000 new jobs per year created in the economy in Canada. Here we are speaking of a loss of 523,000 jobs since August of 1981. In 1982 alone, 359,000 jobs were lost. We look at the unemployment rate, and what do we see? In terms of unemployment, there is no hope, in spite of the fact that the budget is supposed to hold out hope for the unemployed. This was supposed to be the answer.

Prior to the bringing down of the budget, we were told, "Wait until the Budget is brought down". We were told that the Minister of Finance would address the problem of unemployment in the budget. What did he do? Consider his own forecast. We will consider the expectations before we even