

Income Tax Act

the amount of grain held in storage. This would only aggravate the situation, because the producers themselves will have to provide additional storage facilities at an extra cost to them.

With these words I urge the parliamentary secretary, who I know has some sympathy with the Alberta Wheat Pool and other pool operations, to take cognizance of the submissions which have been made in the hope that more equitable treatment may be given to these organizations.

Mr. Howard (Skeena): Mr. Chairman, it is difficult to look at the totality of the tax bill before us without at the same time examining the budgetary revisions which were announced by the Minister of Finance the other evening in the light of what they mean both to the economy and to the taxation structure. The discussion upon which we are now engaged provides us with an opportunity to look backward a little and see what has occurred in the last number of years. I do not normally look back, re-read the record and quote from speeches I have made in the House in the past. I would not do so today, except to indicate that at this point in time we find ourselves in almost the same position economically as the position in which we found ourselves when I first had the privilege of taking my seat in this chamber.

In 1957, in the session which followed the election of that year which resulted in a change of government insofar as party labels were concerned, I indicated during the debate on the Speech from the Throne that I considered unemployment to be the most important question confronting Canada. That situation has continued with very little change for the last 14 years; it has not ceased to preoccupy me during my involvement in the affairs of this chamber. I do not particularly enjoy alluding to statistics because one tends to look at them as if they were theoretical items, not as representing human beings. None the less, statistics afford a quick and easy way of identifying a particular problem. The government examines such matters as unemployment on the basis of statistical analyses, altering and adjusting the basis upon which they are prepared from time to time. The following figures were given to the House by the Minister of Labour and I take them as being accurate and well researched. In the period from 1958 to 1962 the rate of unemployment was in excess of 6 per cent. In the period between 1962 and 1970 it was 4.8 per cent. In the final year or two of this period the figures showed a steady increase. At the moment, unemployment is running at about 6.4 per cent. The figures for this decade so far have been consistently above, or, rather, above the average of, the unemployment rate in the years between 1958 and 1962.

Over this length of time, in this 14 years, two political parties, one Liberal and the other Tory, have been in power. We have had three Prime Ministers, including the present one. Yet despite the change in prime ministers, the change of personalities in office, the change in ministers of finance, the change in government as far as political labels are concerned, the story has been the same during all that period, namely, that there is something badly wrong with the economy. In a land of great wealth, of great potential, of great natural resources and great human resources, we have witnessed the succession year after year of a level of unemployment in excess of 6 per

[Mr. Mazankowski.]

cent during a large part of those 14 years. We have seen the level of unemployment high during the summer months when it was supposed to decline, taking into account the climatic situation in Canada.

In these circumstances I believe we are entitled to ask ourselves: Why is this so? The Canadian people should be asking themselves this question. Despite changes in government, changes in individual ministers, why does the same common thread of sickness prevail throughout the economy? I believe the answer is a simple one, and it indicates the direction in which government is oriented as far as economic philosophy and economic understanding is concerned. It indicates there is not one iota of difference between the Progressive Conservative party and the Liberal party. In this respect they are identical.

Mr. Woolliams: In Alberta they were saying there was no difference between the Liberals and the NDP.

Mr. Howard (Skeena): Unofficially, none of them will disagree with that statement. They may quibble and disagree about small, insignificant points but when it comes to their basic, underlying attitude toward the economic system both the Liberals and the Conservatives are married, gleefully and happily, to the idea of this system; it is this preconception which has brought about the unemployment levels which exist today and which have existed every year for at least 14 years. Both the Liberals and the Conservatives believe their purpose in life, as they get to office, is to serve the economic system rather than serve the interests of the people. They say that their purpose in office is to create an atmosphere within which private enterprise and the capitalist system feel comfortable. They say that by doing that the benefits that flow from that system will come to the people, and that the people will thereby benefit.

• (3:20 p.m.)

I submit that that is the difficulty. It is not whether one party is in government and the other not, or that one is more incompetent than the other—I think they are equal in that regard. It is simply a question of the attitude they have as to what should be the prime force in the nation, and what should be the orientation of government toward the people and the economy.

Some years ago when Walter Harris was Minister of Finance and National Housing Act interest rates were pegged somewhere in the neighbourhood of 5 per cent or 5.25 per cent, I am not exactly sure which at the moment. At that time, Mr. Harris stood up in this House and said—this was before I was a member of the House but I subscribed to *Hansard* at that time and recall reading this—that it was the intention of the government to increase interest rates applicable on CMHC loans in order to attract into the homebuilding market more money from insurance, trust, mortgage and loan companies. This policy has successively been followed by every Minister of Finance since Mr. Harris, and interest rates have been increased, not for the purpose of providing housing for individuals and families in the nation but to make it more lucrative for money lenders, loan sharks and interest hounds to invest their money. In consequence, we have had a doubling of interest rates over this 16-year period since that time.