

*Employment Programs*

● (4:20 p.m.)

The resolution puts its finger, in a couple of words, on one very interesting point which hon. members opposite have blurred over very badly, and that is the question of what a government must and can do and what this federal government in particular can do and is doing about the economic climate, about the total aspect of the situation which influences employment and unemployment in this great country of ours. The government in Canada can and must do something to attempt to create the kind of climate with a long term impact in favour of stability and growth. It was a recognition of this responsibility which led the government to recognize that, unmindful spending and unmindful increases in the money supply which did not take into consideration their serious impact upon the economy and therefore the serious threat to our whole future, must not go on endlessly. We have gone through a period, probably due to minority government, when more of this has gone on than ought to have gone on. It is true that even then it did not reach the nearly disastrous heights of recklessness which had been reached by the previous Conservative government, but it was serious enough to create conditions and attitudes which had to be overcome.

The important thing which this government can and must do is to create an economic climate which is responsible, and which creates as much stabilizing effect as possible, so that those great free enterprise sectors of the economy will seize every opportunity to invest and to develop the growth in this country which is possible. It is with this view in mind that the government has considered both the problems of inflation and the problems of unemployment, and will continue to do so. It is in this light that the government must make a responsible assessment of what can be done in terms of fiscal and budgetary policies, in terms of increasing the over-all money supply, in a responsible way.

The hon. member for Oshawa-Whitby (Mr. Broadbent) urged what he called serious deficit financing. Of course, the government in Manitoba, which he lauded so much, has, as I understand it, a slight surplus budget. But what I suggest the government must engage in, and has engaged in, is a responsible policy of deficit financing, responsible having regard to the amount of money which can be made available in a budgetary and non-budgetary way to meet the situation of the moment.

It is interesting to note that all three hon. members opposite who have spoken joined together in adopting what is essentially a social credit policy that somehow or other there is an unlimited amount of money, without regard for the impact upon the economy of having that money available. The fact of the matter is that there is available in Canada a significant amount of potential consumer spending. There is a significant amount of credit available for investment, and what is needed above all is a determination on the part of the great private sector to go forward on the basis of its confidence that the government will continue to attempt to create an

atmosphere which is as stable and responsible as possible to assure the growth which this country requires.

It is that kind of policy which has led this country to a performance which in almost every way is better than that which one finds in the United States, although our economies are almost inextricably linked in terms of the cyclical impact of changes in the development and growth of that great economy to which we export so much and from which we import so much. Every small change, therefore, in the large economy has an impact upon our economy. The atmosphere of growth really presents a great challenge to the private sector, and it is one which I hope will be taken up very soon in developing a climate of employment about which hon. members opposite spoke so much.

The resolution deals specifically with the problem of unemployment among our young people. This government has been very concerned indeed about the factors in the present logistical situation in Canada which creates greater problems of unemployment for our young people. These factors have been drawn to the attention of hon. members before, but they bear repeating. The rate of growth of the labour force in this country has been accelerating at a faster pace than in any of the countries examined, all of whom are members of the OECD. For instance, during the 1957 to 1970 period, this rate of growth has averaged at 2.7 per cent per year, compared to the next highest rate of growth acceleration of 1.7 per cent for the United States. This has resulted to a significant extent from the very sizeable group of young people between the ages of 14 and 19 at the beginning of the period and the ages of 20 to 24 in the latter part of the period. The result has been that from 1957 to 1970 our United States has grown by less than 25 per cent, and the United Kingdom by approximately 5 per cent.

This is a result in particular of the growth in the labour force among the young people. It is true of course that as a result of this fact the participation in unemployment of our younger people, of those under 24, has grown in recent years. In 1961, for instance, of the unemployed—and I remind hon. members opposite that when the Conservative government was in power at that time unemployment was very high indeed—64.8 per cent that year were in the 25 to 64 age bracket. In 1970, 53.1 per cent were in the 25 to 64 age bracket. To offset this decrease, the bulk of the increase took place in the 14 to 24 age bracket, and this was a direct result of the fact that this group had increased so rapidly in the intervening years, at a more rapid rate than in any other country. This has created and does create serious problems in that the economy has to absorb in its ordinary patterns of growth increased numbers of persons entering the labour force. These factors are to some extent approaching a levelling off area so that the challenge to the economy in the years ahead may not be so great. But it does remain true that there are serious issues here of what sort of education, and the extent of education which should be offered to our young people, the system through which it should be offered to them, and the basis upon which training and programs should be made available to them.

[Mr. Lang.]