

Economic Policies and Unemployment

it is 5.2 per cent. In British Columbia, it measures up to the national average of 6.6 per cent. This is the situation at the present time. Everyone has some sympathy for any government in respect of the question of inflation. The minister's whole argument, however, involved an attempt to say that we are the only ones who criticize the government for inflation and that now we are recommending certain remedies that would aggravate the situation.

I think we could come to grips with the situation and I believe the minister might agree with this formula. In order to curb inflation, one must first of all stabilize labour's wages and prices and profits. If this cannot be done on a voluntary basis—and the Department of Consumer Affairs certainly has failed to control the cost of living—then there must be some other way to control inflation. I could put the government policy in a nutshell. All one need do is read the book, "Oliver Twist". A character in that book believed that if he cut down on the feed of his horses a little each day he would save money and still be able to operate his delivery business. This was in the horse and buggy days. The whole policy would have worked out fine except that the horses died. This is exactly the type of policy the government is following. The government says it will curb inflation even though it does not know how high the unemployment figures will go. If one carries the government's policy through to a conclusion, what the minister really is saying is that it is the government's intention to carry this policy to the saturation point where the profits of every company gradually reach zero.

At that point the government would have 100 per cent unemployment but would have controlled inflation. The minister shakes his head. Is there any difference between the type of policies which were tried in many places throughout the world by governments of all types in the 1930's, whether the government of Great Britain, the Hoover government of the United States or the government of this country, and the type of program upon which the minister has lectured us this afternoon? There is no imagination and there are no new ideas in the kind of program for 1970 on which the minister has lectured us this afternoon.

• (2:50 p.m.)

Some hon. Members: Hear, hear.

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Mr. Woolliams: Let us consider the situation. The government cannot ignore it. The profits of all corporations are falling. Some people may say that this is a good thing. There has never been such a rapid decline in the stock market since the collapse in 1929 which led to the depression in the 30's. Our trade balance is decreasing. There is an imbalance in our foreign payments. The rate of unemployment across Canada is one of the highest ever, and we also have a problem with regard to employment of our students. The situation is similar to the one just before the Mackenzie King government was defeated and the unemployment situation is similar to the one at the beginning of the 1930's when the government was blamed for a depression which was worldwide. When a Liberal government is in office the excuse is made that the problem is worldwide, but when the Conservative government is in power the problem is purely Canadian.

I want to say a few words about the situation of Canadian students. I represent a university area, the city of Calgary. Students there are unable to obtain employment. They were promised scholarships and loans which have not been forthcoming to the degree they expected. No scholarships or loans are available because of red tape. Students cannot continue to attend the university, and by next fall the greatest Canadian resource, the human resource, will be depleted because students will not be able to continue their courses, whether they be post graduate or graduate courses training them to contribute to the new society.

The only way in which we can remedy the situation is to follow some of the recommendations of the Economic Council of Canada. In western Canada, unemployment has risen during the last year more than in any other area. It jumped from 3.2 per cent to 5.2 per cent, and both Calgary and Edmonton are still enduring the effects of the policy of the Minister of Finance who is trying to cool off the economic atmosphere in those cities. He is still discriminating against cities in Alberta as well as other cities in Canada so far as tax laws are concerned. The only way in which we can bring about a stable economy in this country is to get our trade moving. That is why I want to come to grips this afternoon with a speech delivered by the Minister of Energy, Mines and Resources (Mr. Greene).

It is very difficult to get at the facts. The Minister of Energy, Mines and Resources says one thing, the Minister of Finance says another.