

spend a greater percentage of their gross national product on welfare programs than does Canada. So also does Sweden and most Scandinavian countries. Perhaps the only country that does not spend more in relation to its gross national product than does Canada is the United States. That side of the story should also be told.

I, like other members of the house, have a very high regard for the hon. member for Fort William. No doubt he sincerely believes some of the things he has said tonight, but I would ask him not to use these clichés which I am sure the hon. member for Winnipeg North Centre has heard for the last 27 years, particularly those in respect of the fact that we must find the money in order to finance these programs. Members such as he often ask whether we can afford certain things. I would respectfully suggest that we can afford this.

I would like to ask the Postmaster General, (Mr. Kierans), and I am sorry to see he is not in the house tonight, about a statement he made a number of years ago. He said that the nation has two choices. If it is great it accepts its challenge; it goes out and does these things which must be done, or it can take the alternative course of saying the country cannot afford certain things. I suggest that kind of wisdom should apply to this government today. In counselling the government, I suggest he should convince them that Canada can afford these things and that Canada should take measures to get this society off the ground. He should give his party the benefit of his ideology which I suggest has been too long ignored in our society.

Let me raise some of the questions dealt with or encompassed by this statement that we cannot afford these things. Can we afford some of the things we are doing now, and what is the cost of some of these things? What does it cost to have unemployment in this country? Is it less costly or more costly than higher old age pensions? Let me refer to an indication of the cost of unemployment. It has been calculated that in 1957, and I refer to figures from the report of the Economic Council, we lost 5 per cent of our potential productivity representing something like \$3 billion. In fairly round terms this would represent an increase of something like \$1 billion in taxes. Can we afford that kind of a loss? This \$1 billion amounts to almost twice as much as we are now contributing to veterans.

Suggested Pension Payment Corrections

I have never heard the hon. member for Bruce (Mr. Whicher) stand up in this house and ask whether we could afford unemployment in this country. I have only heard him ask whether we could afford an increase in old age or veterans' allowances. There should be no question as to whether we can afford this.

Let us consider 1968. This was an even worse year. It was estimated then that we would lose through unemployment 7½ per cent of our potential gross national product, amounting to over \$5 billion. This would represent a loss of \$1.5 billion in taxes. As a result, we have suffered from higher tax rates and a decrease in our gross national product. As long as we pursue this type of attitude we cannot afford to increase our allowances to the sick, to the veterans and to those who can no longer take care of themselves. As long as we have unemployment, the people in this country will not be able to help themselves or face up to their responsibilities. We cannot afford to ignore the challenge of unemployment and the consequent loss in productivity. Were we to do so, we would deliberately encourage waste in this nation.

Hon. members may well ask how we pay for these social measures. This is an area that should be explored. We are not talking about just a loss in respect of unemployment. Think of the costs incurred in respect of unemployment insurance and the costs incurred in respect of various welfare programs, not because of the disability of people who would like to work and find employment, but because of the administrative costs of providing support. Let me suggest that a society which regards things in that light, or a government which regards itself in that light, most assuredly needs self-examination.

We have heard a great deal of talk about productivity in our society, and the suggestion that if we had an increase in productivity we could afford certain things. Let us look at the industry in this country. Let us examine the question of productivity. We live in a nation that must surely be the wealthiest in the whole world. No country has been so blessed by resources, good fortune and population as ours. There can be no question about this. We have let almost anyone come into this country to exploit it as he sees fit. This is hardly a tribute to our government. We have permitted foreign investment in our secondary industry. We have permitted the importation of workers at the expense of our local