

consequence of mismanagement and lack of economic growth, not the cause of the lack of economic growth. That problem is created to begin with. Reference is made to an era of leisure, but the new developments which could give people the purchasing power to buy the production of machinery are overlooked. There are now very few slaves, but still we hear that there is too much unemployment, and then, investments are made in automation that indirectly creates unemployment; and whereas we give them more leisures, whether they be called unemployed or otherwise, nobody wants to give them the purchasing power which could be used to buy all that is machine-produced.

That is precisely one of the basic problems. When the government says: Well, we cannot do anything else but borrow in order to finance our development. But as long as loans are made, the finance people are not unemployed. When has the government ever mentioned that? Never. The government is willing to go on, unbridled, borrowing money, unconcerned with the interest rates, with the country being in debt, borrowing more to finance our own development, borrowing money in the United States or somewhere else in the world, that we can afford to do. There is to be no restriction on that, and we can even go further. In the Speech from the Throne, it is said, that as of today, we have to help our private sector undertake abroad projects requiring large investments. What is going to be saved by that?

How will this solve the unemployment problem, the economic problems of Canada, of Quebec, or of the other provinces? Absolutely nothing. Our companies are now being encouraged to invest money elsewhere, like Noranda Mines is doing, to cease production in Northwestern Quebec, and after reaping profits in Northwestern Quebec, they want to spend or invest this money in Brazil to the tune of \$325 millions. Indirectly, we are paying for this.

However, as soon as we try to change this system, we create inflation. Social Credit members have been telling the government for the past 35 years that the present economic system is creating inflation and unemployment at the same time. Day after day, prices are hiked and workers demand higher wages. If we grant them higher wages, prices will have to be raised and, finally, we put in a machine that can produce twice as much as 10 employees.

Those employees are laid off; they are out of work and therefore are no longer entitled to live.

Full employment was suggested at one time. This is precisely where we must make a choice. Do we want full employment or do we want a system that respects the individual? If the government wants to solve the problem of unemployment, there is an easy answer. Tomorrow morning, let us hire the unemployed and have them dig holes and move mountains, and if there are too many machines around, we can always give the workers a pick and a shovel and have them work manually, and if there are still too many unemployed, they can use teaspoons; this will give work to more people. But this is ridiculous.

The Address—Mr. G. Caouette

If man had the intelligence to create a machine to replace him on the production line, our government should have the intelligence to find the way to distribute the production of this machine to meet the needs of Canadian consumers. This is a solution. But for this, we would need new theories or techniques which are not being applied at this time. Governments are more at ease imposing quotas and stopping production. At some point they told producers that their output was too high. There is one group of starving unemployed—I see that the Minister of Agriculture (Mr. Whelan) is here—who would very much like to have milk on their tables. They cannot because it is too expensive and they cannot afford it. And in the meantime our dairy farmers would be quite happy to produce what is needed to help them. But they cannot, because of the quota system. At the same time we go on importing from other countries. Last year we imported 46 million pounds of cheese, representing some 500 million pounds of milk. That milk was not produced here, it was produced in the countries whose cheese we imported, while we were telling our farmers they were producing too much milk. And we curtailed production. Such is the government's policy.

My colleague from Bellechasse (Mr. Lambert) referred today to another problem in that area. Instead of our farmers being paid subsidies, a conflict between various agencies is being fought on their backs because of the federal government. They are denied the possibility of expanding at home, of creating jobs at home. People are capable of creating jobs for themselves when they have an opportunity to do so. In a free enterprise situation they are capable of going a long way. But there is every tendency to belittle them, to deprive them of that potential through all sorts of regulations.

The Leader of the New Democratic Party (Mr. Broadbent) stated earlier that federal control should be increased. The tendency is to squeeze the lemon. Unfortunately, there are here in Canada a whole lot of lemons that are sick and tired of being squeezed. Now about import quotas. In Quebec as in the other provinces, the textile industry is going down the drain, the shoe industry is in the process of being stamped out, but this government has been allowing massive imports: fifty-four million pairs of shoes were imported into Canada last year. This means roughly two pairs of shoes and one pair of slippers per capita. In the meantime we are plagued with unemployment. In the shoe industry, more than 50 per cent of the people lost their jobs. In 1968 there were 208 shoe manufacturers in Canada. In 1977, 150. Then people say: We have so many problems. What will we do?

● (1845)

The Speech from the Throne tells absolutely nothing, apart from phraseology like: If we have unemployment, blame it on the unemployed; if our economy does not work well, it is because the unemployed are idle; if the unemployment rate is so high, that is the unemployed's fault, not that of the economy as such.

On the other hand, the government can reduce taxes for financiers. As I was saying a few minutes ago, the government