

*The Budget—Mr. Walker*

the land of the north, where seasonal unemployment has always been one of the greatest bugbears right across Canada except on the west coast? We are greatly affected by seasonal unemployment whereas in the United States, with all their other unemployment, they do not have to contend in the same way with seasonal unemployment.

I am not criticizing. The hon. member for Laurier is putting his best foot forward. However, perhaps he could have helped us by bringing these figures up to date. Never mind. What can we do about the problem? Before we decide what we can do about it, what is the cause of it? We are not blaming it on the prior administration. We admit that when we took office in 1957 the government of Canada had been running down since the death of Mackenzie King but we are not stressing that at the moment.

We have an unemployment problem and on each side of the house it is admitted that it is caused largely as a result of the automation revolution by which machines have taken the place of manpower. In the pulp and paper business of the hon. member for Dufferin-Simcoe (Mr. Rowe) one machine does the work which a short time ago was done by 200 men. Since 1947, 50 per cent of the farmers have left the land and yet the production of the farms is greater today than ever before. Machines are taking the place of manpower and great multitudes of men are unemployed for that reason. Farmers have come into the urban centres looking for jobs, and until that adjustment is made we are going to have the problem of unemployment.

The problem cannot be solved in a day. The hon. member for Essex East would have us solve it tomorrow but no less a person than their knight in shining white armour, Mr. Walter Gordon, is reported in this way in an article in the *Ottawa Journal* of January 20:

He expressed the opinion that little could be done to relieve unemployment within a short period of time—

There is no question that he is right about that. What can we do about the problem of unemployment caused by the automation revolution? First and foremost, we must educate for jobs the unemployed, 40 per cent of whom have not got past eighth grade. The day of the unskilled labourer in this country, particularly in urban areas, is almost at an end. Do not let any child leave school unless he has some trade, some vocation, some profession or is able to do something in which he is an expert. Even the farmer has to be an expert at the present time. So this vast federal program of vocational training is the finest thing that has

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ever been done by any government to solve the age old problem of unemployment.

It is quite true that at the present time we would like to do something immediately. We cannot just leave this thing until everybody is educated for a new job and people are placed again in industry. We have to do something about it now. The \$100 million winter works program in my Department of Public Works is an effort to do something in that regard. This magnificent municipal winter works program of the Minister of Labour (Mr. Starr) is affording employment for hundreds of thousands of people and is a far greater success than was ever anticipated.

Then there is our new housing legislation. I am not boasting as its minister. I am simply giving facts. We are now allowing a new class of people to buy houses, people who have good, steady, but low incomes and are working hard and have never been able to get the down payment on a house. With the 95 per cent loan provision they can now buy a house and this is greatly increasing the demand for houses. Builders can build as many presold houses as they can get orders for. Here is a tremendous field if the Canadian people will accept the opportunity, because all we can do with these measures is to create the opportunity. Loans of \$4,000 each guaranteed by the government can now be secured to improve a million and a half rental houses. If the owners of even one third of these houses would improve them during the winter months, just think of the great incentive that would be to employment, hundreds of thousands of jobs.

I could go on and mention the provisions of my department with respect to sewage disposal plants. Even the city of Toronto wants to take advantage of this and build a subway and class it as a sewage disposal plant. That subway sewage mix-up might happen some places but I would hate to suggest that could be said of my dear city of Toronto. Mighty incentives are being provided and we are getting immediate replies from right across Canada. We are going to create a lot of employment.

Then there is my department's provision respecting the construction of university residences. Each one that is built will create more employment. The government has also provided government guaranteed loans to small business. All we can do is to create opportunities. It is up to small business "to grasp the skirts of happy chance," as Tennyson once said, obtain their loans and start on the way to expanding their businesses. I had no ulterior motive when I said that.

The corporation tax is being reduced to 21 per cent on the first \$35,000 of income. That is a great incentive to business to go ahead