

*Unemployment Insurance Act*

their minds, something which is human nature, something we all share to a greater or lesser degree. These things could be avoided with more efficiency.

In heavily industrialized areas which have a lot of labour the government should carefully examine the possibility of reinstating a combined unemployment insurance and manpower office. As I say southern Ontario is a good example. The area of Quebec south of Montreal is in the same category. The public is not being served, except very badly. I have one or two other things to say, Mr. Speaker, but will reserve them to another occasion.

[*Translation*]

**Mr. Henri Latulippe (Compton-Frontenac):** Mr. Speaker, I am happy this afternoon to say a few words with respect to Bill No. C-197.

According to the statistics, we have 500,000 unemployed in Canada. I think this is sufficient reason to talk about it. In my opinion, the situation is alarming. In a country like Canada, where there are so many things to be done, where every citizen could be employed, 500,000 Canadians are not participating in the production and depend on others for their livelihood. Indeed, those who receive unemployment insurance benefits are getting the contributions paid by the employers or the workers themselves to the Unemployment Insurance Fund. This money has contributed to the rise in the cost of living, and we talk of increasing benefits.

I think benefits should be raised, because of the great increase in the cost of living. No matter how much they are raised, they will never compensate for the increase in the cost of living, which is so high lately that a man can no longer make ends meet with his salary. Senior citizens whose pension has just been increased to \$105 per month complain that it is not enough, that they cannot manage, because the cost of living is too high. All the old age pensioners, and especially the veterans, complain that they do not have enough money, because prices are always ahead of the increases they receive. The unemployed are in the same situation.

There are 500,000 names on the unemployment insurance list, but there are many workers who are being retrained or who are employed on winter works and, therefore, are not on the list.

This means, Mr. Speaker, that the situation is more alarming than we think in Canada. We have here terrible problems. Unemployment is increasing steadily and there are

surely causes for all that. One of the causes of unemployment, Mr. Speaker, is that there are not enough investments. Employment of labour depends upon investments and they are insufficient. Why? Because there are too many taxes, too many surcharges at all government levels, because the citizens have no more money to invest. As they have no more money to invest, unemployment and poverty prevail everywhere. Such are the causes of the economic situation we are experiencing at present.

● (4:50 p.m.)

In order to grasp a little better the unemployment problem and the incidence of the slowing down of investments on labour requirements, one may proceed in this manner and state that, according to statistics, there is available labour and unavailable labour; there are voluntary unemployed and a readily available labour. Once again, labour requirements depend on investments. Investments and labour are interrelated in a certain ratio which varies from one sector to another. Labour requirements are greater only when investments increase and, on that score, the Canadian economy has not done too well.

In the past few months, there have been surplus outputs, high interest rates and a shaky situation in the United States; the trends are not likely to be reversed in the next months. On the other hand, production has decreased in some areas, or is slowly increasing throughout the economy, due to the labour requirements brought about by the present level of existing investments.

Circumstances being what they are, unemployment is assuming larger proportion than usual. An upsurge in economic and non-seasonal activities would only eliminate seasonal unemployment, widespread in Quebec, and unemployment resulting from structural rigidity. A lasting reduction in unemployment will depend more upon fiscal measures designed to increase the size of the labour force and upon constructive measures designed to improve the volume as well as the size of private investments in this country.

Can we increase investments in this country when governments at all levels, are increasing the taxpayers' burden by every means at their disposal? We have direct taxes, indirect taxes, surtaxes. Then, the federal government sells bonds and proclaims in countless newspapers that those who buy federal bonds will double their capital within 13 years.