Measures to Improve Economy

as a sort of freak caused by the severity of the winter and the lateness of the spring. They talked about the St. Lawrence Seaway and so on. Dominion Bureau of Statistics figures which have come out indicate that in April, 1971, as compared with April, 1970, the number of those who were out of work this year because of bad weather is not higher than last year. Of course, the figure is considerably below the one for March, as one might expect. Let us not have these phony explanations which are often given by officials as a result of the advice of their superiors. Let us come to grips with the real problem.

Just who are those people who have been out of work for more than four months? In the course of the past year there has been a dramatic increase in unemployment among youth. That is dramatic and alarming. In April, according to DBS figures, the number of young Canadians under the age of 25 who were out of work represented 13.6 per cent of the work force. More than one Canadian in eight who was out of work was under the age of 25.

An hon. Member: Shame.

Mr. Stanfield: The figure, seasonally adjusted, was 12.3 per cent. That still represents almost one in eight. Of course, students at that time had not come out of school.

Mr. Pepin: Could the hon. member give me the comparable figures for this group since 1960?

Mr. Stanfield: I can go as far back as the minister likes. I always thought he liked to look ahead. Of course, when it suits his convenience, he likes to look back. He might be happier talking about the 1930's, I don't know. We like to talk about the present and the future.

Mr. Nowlan: The present is what we are worried about.

Mr. Stanfield: We want to know what is to happen to these people who have been out of work for more than four months. I am referring to our young Canadians. Are they to go on welfare in increasing numbers, thereby adding to the problems of the provinces and, of course, to the problems of provincial and municipal taxpayers?

The minister quite properly talked about inflation and the problems of inflation. Inflation is a problem. I ask the minister, in view of what he said this afternoon, whether he still believes that it is appropriate to fight inflation in Canada by creating or even by maintaining massive unemployment? He suggested I have been saying that one can fight inflation simply through using voluntary guidelines. Nothing could be further from the truth. I have emphasized ever since coming to the House that, certainly, one must implement appropriate fiscal and monetary policies. I suggested, long before the government did, that it ought to resort to voluntary guidelines as a method of supplementing monetary and fiscal policies. If they had had the courage and foresight to try the course at the time I was suggesting it instead of waiting for the peak of inflation before trying it, that action might have been more helpful than it was. Let us not have these gross misrepresentations on the part of the minister. It is bad enough when he oversimplifies his own attitude with respect to the economy; let him not oversimplify the attitude of his critics.

The government made a big mistake, as it now seems to have recognized, in slowing down the economy so much. Clearly, when it had gone too far, and it must have been clear even to the minister and to the government that it had gone too far, it made a further bad mistake in not applying quickly stronger stimulants to get the economy going. The Prime Minister now recognizes that it is far easier to slow the economy down than to get it started up again. The stimulus that could have been used, Mr. Speaker, need not have been a continuing stimulus. One need not do something in 1971 and continue it through 1972 if it is no longer appropriate.

• (4:00 p.m.)

The minister talks about forecasting growth and employment. I have not seen any forecast of economic growth for this coming year, other than by this government, which indicates a substantial reduction in unemployment. On some days the minister says that a tax reduction of the sort I suggest would be inflationary. On other days he says it would not necessarily be inflationary under present conditions. The minister moves around like a wheel. One day it is inflationary, the next day it is not. If the minister wants to talk about something being inflationary, I am sure that from time to time he must have in mind the increase in the supply of money in this country by the Bank of Canada, something which may be much more difficult to adjust if the inflationary pressures grow than the kind of remedy I have been suggesting.

The minister described the economy today as burgeoning. I think that is the word he used. I think that I have described it fairly as being hesitant. After the April figures, I do not see how anybody can honestly describe it more favourably than as being hesitant. I urge the minister to bear in mind that the economy is not a machine. It is not something that automatically responds by simply having more money fed into it. People respond to certain stimuli and incentives. Despite his speech here this afternoon, I hope that the minister will consider these when he prepares his budget. I hope that he will bear in mind the importance of some method to remove the hesitancy from the economy, the need to get it started moving forward in terms of employment and, preferably, a flexible method of the sort I have been suggesting which lends itself to adjustment as the factors of the economy change.

The minister kept saying that he hoped he would learn something new and sensational this afternoon. I do not pretend to propose anything other than what I have said here before. I again beg the minister to open his mind and realize the importance of moving employment forward. Instead of looking for something new or sensational, I ask the minister to listen to the sensible suggestions that are being made to him.

I must disagree with the hon. member for Waterloo (Mr. Saltsman) to some extent. At the present time, I do not think that the emphasis should be on increased