

Unemployment Measures Lacking

Of course, this corporation that the government proposes to set up involves a great danger, because we will be dealing with human beings, those who will administer this legislation and will have an instrument for patronage. It is forbidden to speak this word in the house, because while the government claims it does not dispense patronage, the previous government said the same. Yet, we have a right to have misgivings.

I suppose that this system of administration with capital will be most attractive but, on the other hand, it will help to improve the situation, to set up worthwhile industries and even to establish an industrial complex.

But, for all practical purposes, this political party will have to be watched closely because we know what its supporters can do. Certain things happened in the past and we are not ready to be taken in by the good will and the behaviour of the present government. I am willing to trust the government but on certain conditions.

I heard somebody say that there should be additional deficits. It seems that the two old-line parties are competing with one another to see which one will have the largest deficit, which one will be the first to reach a \$1 billion deficit.

I remember that last year the minister of finance, who at that time was the hon. member for Digby-Annapolis-Kings (Mr. Nowlan), said that he did not want to be the one who would have the privilege of reaching the record deficit of \$1 billion in a single year. That is why if I consider the economy of the country with respect to deficits, I realize that our situation is fairly desperate.

If tomorrow another political party could replace the two traditional parties and provide a solution, I am sure that if the Canadian people could have that hope, they would immediately demand an election.

Mr. Speaker, we have to support both old-line parties for still some time, only long enough for the Canadian people to realize that there is no hope in any of them. But unfortunately, the people have not yet sufficiently realized it. However, by watching the present government and taking note of the criticisms of the official opposition, the people will realize that neither of the old-line parties offers a solution to our present difficulties.

Mr. Speaker, I conclude by making a suggestion. It is obvious that our suggestions are paid divided attention and that we are considered with some amusement. We are taken for newcomers, for inexperienced people from the north who do not have ten, 15 or 20 years of experience in the house and in the administration; but let me tell you that we come from the people who are now

suffering and who have suffered in the past from the lack of understanding on the part of their administrators. I can assure you that at the present time people are desperate because they do not see the slightest hope of a solution.

I should like to suggest to this government that it turn this municipal loans fund into a bank which would accept municipal bonds as a guarantee for loans; then it would issue credit, but not credit from taxes or from a consolidated fund, but credit based on the production potential of the Canadian people as well as on natural resources contained in the ground.

That is a suggestion, and it is not the only one. Since it applies to a field which is uneconomic, I would add this: let us make the industrial development bank more flexible and get rid of that famous formula which is only a mirage, a cover to hide problems, or a bait offered to the people.

This bank would probably become an agency which would make it possible to solve a part of the problem if the government would change its managing procedures in order to provide for the necessary credits not only for industrial development but also for the establishment of new industries. Better still, that bank should be prepared to take the risk of losing 10 per cent of approved projects, but it would also succeed in setting up new industries which would expand and enable Canada to have a better place in the industrial field. It would be better to succeed in 85 per cent of projects aimed at the establishment and expansion of industries, even if there is a risk of incurring some losses.

A diversified industry would allow us to close our doors to imports and would solve the unemployment problem from which we are suffering.

There is another way which I would like to mention in order to promote the increase of capital investments in industry—and I make this suggestion not without some reserve since I did not have the pleasure of discussing it carefully with my colleagues. But coming from the working class and having worked with many of that group, I can say that it is now an accepted fact that they should not only benefit from industry in the social field, but that they should also invest in those very industries. They recognize it is their duty to share the hazards of capital investments.

Thus, it might be advisable for this government to investigate the expediency of granting a tax reduction on a certain percentage of either the savings or the salary which a worker would invest in industry through the purchase of shares or bonds. It might possibly