

*Unemployment*

Mr. Speaker, it will be noticed that these figures are for June of each year. They are the only figures covering a period of several years which I have been able to obtain. Account must be taken of the fact that the trend for the period from June to March is generally constant. There is a rapid increase from January to March of each year, through the prevalence of seasonal employment. It will also be noticed that in 1931 the civilian labour force in Canada was 4,105,000 as against 5,345,000 on February 10, 1955.

These figures show that unemployment is nothing new, that we have never managed to do away with it entirely. If we look back to these figures it will be seen that if the situation has become somewhat worse since the end of the war, it is by no means comparable to what it was between 1930 and 1941 inclusive. On the other hand, taking into account legislation put on the statute books by the federal government since 1940 with a view to redistributing the wealth of our country, it must be admitted that a great deal has been done to eradicate poverty and misery.

I would like to put on record in this connection the amounts paid out this year by the federal government in social security and unemployment insurance benefits: \$1,200 million in social security benefits and \$200 million, approximately, in unemployment insurance, which gives a total of \$1,400 million.

Some people seem to think the problem of unemployment is one for the federal government alone to solve. Still, by virtue of constitution and custom, the property, control and responsibility with regard to natural resources in this country are vested in the provincial governments. Therefore it would be abnormal for provinces which claim credit for the industrial development of this country to refuse to accept their share of responsibility for unemployment. It is true that unemployment insurance legislation is a federal responsibility. This has been brought about through the consent of the provinces. But such legislation is only a means of helping the unemployed and does not, by itself, create employment.

To my mind the federal government has the following means to combat unemployment: First, a financial policy directed to increasing credit in this country; second, unemployment insurance legislation; third, social security measures.

No one can deny the great amount of work accomplished by the government since 1940 in those three fields. To state that the federal government has done nothing to deal with unemployment is to deliberately ignore a great part of its legislation of the past several years. As examples of financial measures

this government has taken for the relief of unemployment I shall mention the extension of credit for house-building purposes, the effects of which have been felt already in 1954 and will intensify during 1955, as well as the reduction of interest rates. Can the government go any further in allowing credit expansion without risks of inflation? There is a question to which only experts can give an answer.

In the field of unemployment insurance a great deal has been done since 1941, and some new amendments to be adopted at this session will, I hope, bring a greater number of workers within the scope of this legislation and extend the duration of benefits to the unemployed. These questions will no doubt be discussed in detail when the amendments are introduced in the house.

As regards social security measures, I believe the government has made the fullest possible use of the share of the national revenue that it can earmark for this purpose.

In my opinion the federal government has assumed all its responsibilities as regards unemployment, but that does not mean it is the only one in a position to meet this problem. Foreign trade, agricultural prices, daring on the part of the leaders of industry, salaries, provincial initiative in the development of natural resources, are all factors which have a bearing on the level of employment. It is therefore impossible to single out responsibilities in this matter. Consequently it is the duty of all levels of government, of leaders in industry and of labour unions to co-operate toward the solution of this problem.

Many consider that the federal government is already assuming too many responsibilities. If the solution of the unemployment problem were entrusted exclusively to the federal government it would lead to greater economic and political centralization. In fact, one cannot seek to obtain rights and at the same time refuse to accept the obligations that these rights involve.

Unemployment is a chronic ill, the importance of which can only increase in peacetime with the development of automation in industry. Without for a moment exaggerating the seriousness of unemployment, I believe that the establishment of a permanent body to study this problem, which could consult with representatives of all interested groups, would be an efficient way of finding long-term solutions.

In the meantime I endorse the policy of the government.

**Mr. F. S. Zaplitny (Dauphin):** Mr. Speaker, I want my first words in this debate to be words of sympathy. I have a great deal of