some move toward the reduction of specific barriers to trade. I think that the Canadian government could do its part in hastening the end of the surcharges by declaring its readiness to re-examine promptly the safeguards in the 1965 Canada-U.S. auto pact.

The measures announced tonight by the Minister of Finance should be accepted and promoted. It is unfortunate that they have come so late, and I believe that, particularly with regard to the winter works program, an earlier announcement would have been a more effective way of providing jobs for this coming winter.

[*Translation*]

Mr. Yvon L'Heureux (Chambly): Mr. Speaker, it is a pleasure for me to participate in tonight's debate. Last May, when I was elected in my beautiful riding of Chambly, I emphasized the importance of the economy.

Tonight, I want to express my views on unemployment and on the economy of Canada, problems of extreme concern to us, not only because of their present magnitude, but also because of their potential disastrous consequences.

Fortunately, the Minister of Finance (Mr. Benson) has announced tonight action to be taken in behalf of Canadians, action which will no doubt help to solve the problem of unemployment and restore stability to the Canadian economy. I want to congratulate him and thank him on behalf of my voters and of all Canadians.

Although we are short of jobs, it is not because of a lack of raw materials in Canada. We own a rich subsoil and huge power resources. The land that our people have developed for more than 200 years is truly immense. I suggest that unemployment is due to the fact that the growth rate of our population increased faster than that of our industries. This is quite obvious, and in my opinion, that is where the problem lies.

We have seen other countries devasted by war that have reached industrial power far greater than anything Canada has ever been able to achieve. These countries do not have our advantages in material resources, but they were aware of a reality that Canada has not recognized until now. These countries were aware of the need to work and of the need of markets for their products.

The good fortune of our neighbours can explain why Canada has, in some measure, been sheltered from the full appreciation of both of these needs. When we were basically an agricultural country, we were able to sell a very large percentage of our gross national product and we were able to afford and sustain relatively new industry under protection.

Other industries started off without protection, and that is why from the beginning they could equip themselves with an organization and specialization that assured them of success.

After 1968, Canadians have found themselves competing in a much freer way in the markets of the world, but particularly in the market of the United States. They could not however equal the high industrialization of others that mass production made possible.

Canadians generally have not matched the productivity of many other countries. Without protection from now on, their industries cannot profitably exist in direct competition with the great new plants located in the United States, Japan and the European Common Market.

As the United States' balance of payments became and remained intolerable to the United States, they have found it necessary to take the moves of the import tax and of other legislation. These added burdens, these protective measures in favour of exports, are beyond the ability of many Canadian manufacturers to stand.

It brings into question the viability of American branch plants in Canada and it most certainly brings into question the viability of Canadian manufacturing plants which must be able to share freely in the North American market.

We should explore with the Americans not only the conditions of immediate removal of the trade limiting taxes, but a continuing policy leading to some assurances to the United States in matters of energy and of raw material.

In my view, the United States must guarantee to Canada an immediate access to the North American market so that our plants in Canada may operate on a footing of equality. This is the only way in which I can see the development in Canada of an industrial society worthy of Canadians as a whole.

The world is being divided into great markets—Southeast Asia, Japan, the European Common Market, and Canada must belong to one of these. The logic of geography dictates that this must be a North American market.

Many organizations—even separatists—havee put forward this logic, but it can only be effectively negotiated by a Canada strong and united in its purpose and its wish.

[*English*]

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we are participating in this emergency debate tonight because of the disastrous unemployment figures announced today by Statistics Canada. In the month of September, 7.1 per cent of the labour force, on a seasonally adjusted rate, was unemployed. The number of unemployed in September was 434,000 compared with 398,000 in September, 1970.

One would think that this is something unexpected, unpredicted, and nobody knew it would happen. In fact, the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) said precisely that when he said that members of the opposition were being wise after the fact. Mr. Speaker, the truth is—and members of the government know it—that the government has consistently misread the economic indicators. The government has been consistently wrong in its estimates of what the level of unemployment would be. Not only has the government been wrong in its estimates of what the level of unemployment would be but it has deliberately chosen to exaggerate unemployment because of its fears about inflation. The Prime Minister (Mr. Trudeau) said in December, 1969, that he would not be deterred in his fight against inflation even if the unemployment rate rose to 6 per cent. Well, Mr. Speaker, last month we had an unemployment rate of 7.1 per cent.

The Minister of Finance (Mr. Benson), the Prime Minister and—I hesitate to bring this member into the august company I have just mentioned—the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) all