

*Labour Adjustment Benefits*

in Canada should be. A business which is growing, expanding and providing more jobs for more people is what any businessman would like to have.

Let us contrast this with the situation of an employer who must reach the difficult decision to begin laying off people. Why would he decide to lay off people rather than hire new employees? Of course, the reason is that business is poor. He has to make this decision after carefully studying the situation and realize that if he continues to pay people to do a job which does not need doing, if he has to pay employees money for 16 or 20 weeks for doing nothing, it may well be the straw which breaks the camel's back. That increased expenditure may drive the firm into bankruptcy, and no one in that firm will have a job. That is the cost of doing business.

Are we putting forward a piece of legislation which will increase the bankruptcy rate and thereby increase the unemployment rate? If there is even a threat of doing that in these present economic circumstances, we should be very, very cautious.

There is another hidden cost which is perhaps somewhat more difficult to understand. This involves a businessman deciding upon whether he wants to build a new business in Maine or Massachusetts, for example, or in southern Ontario or Montreal. He wants to employ 100 people but must reach a business decision on behalf of the shareholders as to whether he should build in Maine or Montreal. Knowledgeable businessmen will consider the business climate in which they will be and consider the costs involved. If they find that the Canadian government has gone out of its way to make it more expensive to produce goods in the long term than they can be produced south of the border, they will decide to build the factory and thereby create jobs in Maine or Massachusetts instead of Canada. That is the reality.

Perhaps I speak with some passion on this issue because during the past year and a half I have seen people become the victims of an overnight change in federal government policy. Since October, 1980, when the National Energy Program was introduced I have seen people who started a small welding shop with 20 employees, or someone in an oil-related business, or pensioners who invested in an oil rig become victimized by an overnight change in policy. The experienced people in those businesses who knew the results of the government policy started laying off people immediately because they knew that if they did not cut their expenses rapidly they would be facing bankruptcy.

As I travelled through my riding today, I found that those people who reacted quickly may only have half of the employees they had a year and a half ago, but they are still in business and still have jobs for some people. On the other hand, those less experienced businessmen who failed to react quickly, went bankrupt and have no employees.

I urge the Minister of Labour to consider carefully the weight of my argument before we enshrine into law the principle which may cost us jobs at a time when the government is being criticized because not enough jobs are being created. Over a million people in Canada are unemployed, and

we should be careful about passing any piece of legislation which may make it more difficult for them to obtain employment.

**Miss Pauline Jewett (New Westminster-Coquitlam):** Mr. Speaker, after listening to the debate this afternoon, with the exception of the two members of the NDP and a couple of Conservatives who have spoken, I could not help being struck by the fact that this legislation does not even address the problem of unemployment in Canada. If it does, it is only so marginally that it is almost embarrassing that the government would even want to bring this legislation forward. There does not even seem to be any provision to enhance the bill in such a way as to remove the very causes of unemployment in our society.

When I hear the minister responsible for economic development, who, I assume, speaks for the government, say that it is the government's policy that there is nothing very much wrong with Canadians continuing as the hewers of wood and drawers of water and it has to phase out even further established Canadian industries, which provide by far the best employment opportunities in Canada—not the resource sector—I cannot help wondering if any member of the government realizes that the unemployment problem is simply not being addressed.

I would like to make specific reference to the inadequacies of this particular measure at eight o'clock. May I call it six o'clock?

**The Acting Speaker (Mr. Blaker):** The Chair has been asked to advise hon. members that other amendments pursuant to Bill C-78 have now been considered by the Speaker.

Madam Speaker has ruled as follows; she examined the remaining motions in amendment to Bill C-78 and wishes to inform the House of her decision concerning the grouping and voting of these motions.

Motion No. 11 standing in the name of the hon. member for Kootenay West (Mr. Kristiansen) causes the Chair some difficulty in that it appears to be going beyond the scope of the bill when it calls upon the board "to investigate the expected social and economic impact of intended termination of employment". Beauchesne's Citation 773(1) states that an amendment is out of order if it is beyond the scope of the bill. Therefore, on that basis one would presume that the motion may be out of order, but subject to the usual consideration that the hon. member may wish to argue the case.

● (1800)

Motion No. 12 standing in the name of the hon. member for Kootenay West appears to relax conditions and qualifications respecting the receipt of benefits. In this regard it appears to go beyond the royal recommendation as referred to in Beauchesne's Citation 773(7).

The Chair would be prepared to hear argument on the acceptability of these two motions at the appropriate time.