

*Economic Development*

financial adjustment policies must enable all Canadians as much as possible to benefit from the opportunities which lie before us. The unevenness of growth, caused by differential rates of expansion, cannot be allowed to leave human accidents in its wake. A blind policy of growth for the sake of growth could not succeed: an economic and industrial growth policy must take full account of the need to enable all Canadians to make the contribution of which they are capable.

We have, for instance, at the moment considerable signs of externally generated recession in much of the country while parts of our nation have full employment. The nature of the American downswing suggests that this pattern may continue for some months and even intensify. It is imperative that we, as a society, make provision for the stimulation of employment in areas and during times of slow growth as well as ensuring that we have a labour force which is adequately trained for the future.

The government is taking very considerable steps this year both to stimulate the employment of additional persons in industry and to bring about the development of jobs in the non-profit sector, particularly in areas of the country where jobs are more difficult to find.

The government is making available, under the Employment Tax Credit Act recently passed by Parliament, a further twelve months of direct wage assistance to industry to help expand employment, particularly in small business. This program, as members of the House know, was extremely successful last year with over 50,000 Canadians getting jobs, mostly in small businesses, as a direct result. We hope that despite the late passage of the bill the measure will make a considerable contribution this year as well. The subsidy offered varies from \$1.50 an hour to \$2 an hour, depending on the part of the country, and has proven to be highly successful particularly east of the Ottawa River. We hope that, with the support of organizations such as the chambers of commerce, it will play a major role this year as well.

It is clear, however, that a general measure of that kind cannot itself do the whole job. To help fill the gap, to create jobs in places and for groups of people who can be relatively little helped through business-related measures, the government has established the Canada Community Development and the Canada Community Services Programs. Although the Community Development Program will fund projects in all parts of the country, the funds will be concentrated in areas and on groups which suffer most from unemployment. Jobs will be provided in a wide range of federal and provincial priority activities so as to maximize the impact of the expenditures on our longer-run national goals. The Minister of Employment and Immigration (Mr. Axworthy) expects shortly to announce the distribution of those funds, the priorities which have been developed, and the details of the new program. It will result in jobs for over 19,000 additional Canadians this fall and winter.

A companion program, the Canada Community Services Program, will be of particular assistance in providing worthwhile jobs for relatively recent labour market entrants in the

provision of important community-based services. The planned expenditures of up to \$11 million this year should enable the initiation of a wide range of demonstration projects which will both provide employment and serve to fill many of the gaps in a range of community-based social services.

Many, however, of our most serious employment adjustment problems relate not to temporary shortages of work but rather to the extremely work-disadvantaged problems of many Canadians in the medium to longer term. These disadvantages may be a result of our geographic development or may be the social result of generations of exclusion from the main stream of economic growth. A sensible medium-term policy must provide employment development and jobs for such people and in such areas over the medium to long term as well as in the short run. It must be focused to meet local needs for growth, for training in work, and for work itself.

To help achieve that, we have progressively shifted resources from short-term job-creation programs such as Canada Works into the Local Employment Assistance Program which provides medium and long-term employment and training for groups of persons and in parts of the country which are extremely employment disadvantaged. Our financial provision for the LEAP program stands at over \$70 million this year, with approximately half that amount being allocated to help meet the employment development needs of our native people. The LEAP program has become a primary vehicle through which we are able to assist the development of small-scale local employment opportunities of long-term benefit to people who most need them.

We have not, of course, neglected the need for private sector employment development in the long term as well. This year the government expects to initiate up to 20 Local Economic Development Assistance projects. Largely in small to medium-sized slow growth communities, the program will initially offer an opportunity to assess and articulate the prospects and possibilities for stimulating private sector employment growth. In its operational phase the LEDA program will enable such communities to provide small-scale financial assistance to small and medium-sized firms to expand or initiate businesses to provide more employment locally. If the pilot projects are able to achieve the success which we hope, the government will give consideration to a possible expansion of the program next year.

**Mr. Baker (Nepean-Carleton):** How do you know that?

**Mr. Dawson:** If it is a success we shall make a commitment to try to give it a bigger budget and make it a better and a bigger program next year.

Employment policy thus provides assistance to adjust to change both through the provision of immediate employment to meet immediate needs and, increasingly, through the provision of medium and long-term employment, often in the private sector, when that is what is required.

I should like to go on, Mr. Speaker, but I see you are on the edge of your chair. Many of the speeches tonight will be dealing with the same problems. We have to be sure, when we