

right now, especially with the young people of Canada in mind, because I personally feel it is an absolute disgrace that 431,000 young people in this country, 45 per cent of those without jobs, should be unemployed. It is just not good enough.

**Mr. Deans:** Mr. Chairman, in order not to offend my friend on the Liberal benches, I shall be brief and try to keep to the point—which he did not. Some major problems have arisen in this province since the minister introduced the bill before us. I am sure he is not unaware that the unemployment rate in Ontario in particular has risen significantly since this measure was brought down, as, indeed, it has risen across the country. In the major industrial areas of the province unemployment has made dramatic leaps in the past month. Windsor has the highest unemployment rate in the country—we all know the reason for that—and just today in Hamilton, in my own riding, we heard the announcement that Dominion Foundries and Steel Company will be shutting down most if not all of its manufacturing for a week. Incidentally, that is the first time since I have lived there, almost 30 years, that I can remember this company closing down. They are thought of, usually, as a very progressive company and normally they are able to maintain their employment levels.

Anyway, 10,000 additional people will be laid off. That is the equivalent, under a job-creation program such as this, if we take into account the length of time involved, of 200 year-long jobs disappearing just because all these 10,000 people have been laid off for a week. In addition, there will be a marked reduction in the numbers of people who will be making purchases. One must take account of the fear which accompanies these lay-offs. Many of those affected will be reluctant to resume their normal purchasing patterns bearing in mind that the reason given for the lay-offs is a dramatic decline in markets. This is bound to have an effect upon the sale of goods and the flow of services.

With all this in mind, given that the levels of unemployment in Ontario have risen significantly in the past month, given that most of the unemployment is located in the major industrial areas, given that these areas are where most of the young people who are seeking employment live, given that the major unemployment which is occurring almost inevitably results in a decrease in purchasing at the retail level where many of the young people might find work, can the minister outline what measures he might introduce, perhaps supplementary to the bill now before us, which would begin to address themselves to the situation, now crucial, which presently faces us?

**Mr. Axworthy:** Again, the hon. member asks questions which could be divided into those having short term and longer term implications. I should like to tell him, as I have told him in the House several times, I believe, that in the specific case of the automobile industry my colleague the Minister of Industry, Trade and Commerce has already provided a major program to support the ailing automobile industry and provided a loan guarantee to Chrysler to make sure that it will not fail.

### *Employment Tax Credit Act*

In the meantime, we have introduced into the Windsor area regional benefits under the unemployment insurance program which will provide an additional 12 months of benefits for auto workers in that area. We have also introduced special work programs into the Windsor area, again to make sure there will be a minimum of hardship experienced by the workers who are being laid off. However, we recognize that this is not a sufficient answer and we are presently in discussion with the United Auto Workers, which began two weeks ago and are continuing on a daily basis, to work out what we would consider to be an appropriate response to the problem of lay-offs in the auto industry.

● (1700)

I hope to have these meetings with the UAW concluded some time in the middle of July so that we can come up with a longer-term program, taking into account always that we have certain restraints on the finances of the government and that we cannot simply open the purse wide. Because the purse has already been opened very wide by a wide variety of programs. We are meeting with the UAW to see what we can do to provide longer-term answers. I think that indicates a co-operative attitude on the part of labour, employers and the government, which is necessary if we are to come to grips with the problem.

I am also meeting with a number of other major industry associations in Ontario which have job opportunities. A number of areas—for example, the aerospace industry—are not going to be creating unemployment. The aerospace industry will in fact be creating close to 15,000 to 20,000 jobs in the province of Ontario. The real trick is to make sure we find workers who are unemployed in those areas where labour is needed.

That is what we are meeting with the industry about right now, to work out programs and have discussions to provide labour on an industry to industry basis. Again, it is going to require co-operation from the public and the private sector, and that is the approach we are using right now, both in terms of guarantees, as my colleague has done through the Department of Industry, Trade and Commerce, and also at the same time looking at the specific problems faced by workers in those areas.

**Mr. Deans:** Mr. Chairman, let us be perfectly frank with each other. The aid to Chrysler will have very little, if any, benefit at this point in time. There are very few new jobs being created and certainly no people being recalled at the moment as a result of the minister's assistance to Chrysler. That, I am sure, we agree on.

In a program such as this you are almost totally reliant on a reasonably buoyant economy to create jobs for people who are going to go into the service and retail sectors for short-term employment. I refer to students, for example. The majority of students require jobs today, and they will need them in June, July, August and part of September. What we are seeing is a marked increase in the number of people who are unemployed, and most of them are in the major centres of the province.