

*Supply*

**An hon. member:** Incompetence.

**Mr. Peterson:** It must be due in part to the lack of economic ability of this government.

**An hon. member:** That's it.

**Mr. Peterson:** In the automotive industry, our major manufacturing industry, the one which exports the most, during the last three years, we lost 21 per cent of our jobs, while in the U.S. the job loss figure was only 9 per cent. In other words, in the automobile industry, Canada is losing jobs 2.3 times faster than the U.S.

The last figures show an increase in unemployment. We are still in a recession and what is even worse is that those permanent jobs disappearing in Canada are moving to the U.S. and to other countries. As a country, it will be very difficult for us to adjust to that situation, but we have to start somewhere; all is not lost. There is still something we can do. First, we must create adjustment programs, those programs which were promised by this Tory government before the with the United States but which were never put in place.

Our objective must be to make Canadians the best educated, the best trained and the best equipped workers of the western hemisphere. If we reach that goal, we will see economical results in 10 or 20 years from now I hope.

We must remember that only the private sector can generate jobs and wealth.

That wealth is essential, not only for job creation, but also to reduce the deficit. We cannot increase taxes any more; it is impossible. Canadians have reached the point of ignition on the subject of taxes.

Let us be honest. Nobody in this House can tell us how to cut spending so that we can solve the deficit problem. What we must do is give the private sector the means to generate wealth, pay taxes, create jobs and transform the unemployed into taxpayers. That is what has to be done.

• (1830)

To do that, the government must change many of its policies, such as its monetary policy which has translated, over a period of 20 years, into an increase of more than 25 per cent of the value of our currency. This is an incredible burden for our exporters. This is a government that was not supposed to increase taxes, but it has done so 34 times since it came to power. It has also given us much higher interest rates, a very high currency rate,

as well as taxes that are too high, while at the same time presenting us with the free trade agreement. Our exporters must face an incredible challenge trying to keep up with the American competition. This was not fair and we have seen the results of those measures.

There is another thing that must be done. It has to do with the relations between workers and employers and businesses. In Canada, we have the worst record among the 23 developed countries when it comes to the number of days lost because of strikes and lockouts. We have the worst record and the example came from this government when everybody saw what it did to its own employees.

I now want to say a word about training which was cut by this government. It is a cut of the contribution made from the general revenue for the training of Canadians. This contribution should in fact be increased so that we can become better equipped and better educated.

Let us now talk about science and technology, as well as research and development. Again, those sectors suffered cuts from the government. How can we face the competition at the international level, as well as globalization, when our level of research and development is but half of that of other countries?

Finally, there is the issue of co-operation between the three sectors, that is the workers, the contractors and the various levels of government. In Canada, we do not yet have the will nor the means to create this kind of partnership amongst the three groups, each of which is essential to job creation as well as prosperity in Canada.

In conclusion, I want to say that we must not be partisan when it comes to Canadian unity. We must remain united so that we can regain the potential that we used to have and that most Canadians now feel we have lost. If we do not work together, it will not be possible to envision a prosperous future and a country that enhances its capacity as well as the potential of its citizens, and in particular its young people who cannot find jobs right now.

Mr. Speaker, you will have noticed that in your own riding young people have nothing to do. When they ask: "What shall I do to find a job? I have a good education and I can work", what is your answer? What is the answer of my other colleagues? Must we tell them: "Wait"? No. We must create jobs and opportunities for these young people and this exercise must take place in a strong and united country.