

*Employment Tax Credit Act*

million bill. If I do not ask the questions my constituents expect me to ask the minister, I am not doing my proper duty as the member of Parliament representing Brampton-Georgetown. Therefore, I am going to ask my questions and I do not need lectures from those hon. members.

I enjoyed the speech on second reading by the minister's parliamentary secretary. He gave us some interesting statistics, and I want to follow up on a couple of things that he said. He stated that the reaction from business and industry has been remarkable. I am not sure what he means by that. Through the Canadian Federation of Small Business I did a survey in my constituency and I found that about 50 per cent of the small businesses were in favour of this bill. Therefore, I would not say support is overwhelming; I would say some are interested in it and some are not.

We are talking about employment figures. About 19,000 was the figure the hon. member for Louis-Hébert gave the House as far as Ontario is concerned. I noticed a 61,000 unemployment increase in Ontario this month. Has the minister any comments to make on how this bill is going to affect Ontario? How many jobs does he expect in Ontario this year as a result of this bill?

**Mr. Axworthy:** Mr. Chairman, if we go by past standards, of the total 50,000 in the 1979-80 year in the province of Ontario, the number of jobs created was about 19,000. I would expect the same number to hold true this year.

**Mr. McDermid:** Mr. Chairman, I understand that 55 per cent of the total jobs under this plan were taken by youths. May I ask the minister how many of those youths are still employed after two years of the program?

**Mr. Axworthy:** Mr. Chairman, I cannot answer that directly because, as I said, we have only done one interim evaluation. We monitored the program based upon 2,500 employees. At that time we indicated that about 55 per cent of the participants in the program continued to be employed in the work place after the termination of the agreement under the tax credit program.

**Mr. McDermid:** Is the minister telling us he has no statistics on how many of those are still working or how many are no longer employed and are receiving unemployment benefits? He cannot answer that, is that correct?

● (1650)

Is this program integrated in any way with the government's other employment programs, or is it a separate entity? Is the minister regarding the whole thing as part of a package or is this in addition to the package he introduced the other day?

**Mr. Axworthy:** I thought I had made it clear on several occasions that in the government's view it is necessary to take a variety of different initiatives in connection with any meaningful job creation program. While the employment tax credit is particularly applicable in areas where there is a high incidence of manufacturing, it is not as useful or as available

where there is a large agricultural or fishing base or where, as in certain areas of the maritimes, there is a slower pace of economic activity. Therefore, it is an integrated package but we are providing a different mixture of programs.

We are asking each of our regional offices to design a blueprint advising us to the best mixture of program for that region, after consultation with the provinces, the employers and the community service sector. So they have some responsibility for designing the "menu"—the selection of services they want to use.

**Mr. McDermid:** I have the latest unemployment statistics before me and I am shocked to find that in a country like ours 431,000 of the unemployed, or something like 44 or 45 per cent, are young people. I ask the minister whether he would not consider waiving the three-month minimum limit applicable to students, because we are getting on into the summer now. Would he also consider raising the minimum rate to \$2 for student employees under the program this summer?

**Mr. Axworthy:** I do not believe that at the present time the regulations would be waived, but we will take a look at the suggestion. I would point out that the figure he has in front of him was produced prior to full implementation of the summer youth employment program which has put some 70,000 job placements into the market over the summer. This will not solve the entire problem but it will make a dent in that figure. So the May figures, the statistics we have, do not reflect the introduction of the summer youth employment program.

**Mr. McDermid:** I think that is very misleading because we are talking about 430,000 people who are out in the labour force. That figure does not include the students who are coming out of school now and looking for summer jobs. The youth employment program is designed for the 70,000 students who are getting out of school. So I say to the minister: please do not mix up those two figures and mislead the Canadian people. I think that is very unfair.

The young people today are saying: "I want a meaningful job, not a job which is going to last an average of 48 weeks". They are looking for a job which will last a lifetime. The program before us completely misses this point, as do other government employment programs. I plead with the minister seriously to consider the plight of these young people and design programs in co-operation with the private sector which will lead to the creation of meaningful, long-term jobs.

The minister mentioned earlier that part of the deficit financing is going to help the unemployment program, yet the deficit is going up at the same time as unemployment is going up. The two just do not match. I would ask the minister to take a long, hard look, on behalf of the youth of this country, at meaningful programs which would give them jobs once their education has been completed.

I must admit I am included with my hon. friend on the employment for the eighties committee and I am looking forward to my work. But I do not want the minister to hang his hat on the work of the committee. He should be starting