

*Unemployment Insurance Act, 1971 (No. 2)*

and whether there might not be a better way of approaching the problems of the unemployed in this country, and will particularly address employment for our young people.

There is a great deal of confusion concerning government policy. Aside from taking the wrong direction, the Prime Minister (Mr. Trudeau) and his ministers have added to the confusion. Last week in Vancouver, on May 24, the President of the Treasury Board (Mr. Johnston) spoke to the International Monetary Fund Conference. I wish to quote from page 3 of his text. I assume he followed it; there is no indication he did not. He usually reads his speeches. He said, and I quote:

● (1430)

—I believe that we can no longer look to the traditional reliance on fiscal policy stimulus as a job-creating device.

That was his statement. The minister raises his eyebrows. I raised mine as well when I read it. The kind of programs this minister is involved in, job-creation programs, are fiscal policy stimulus. The minister makes speeches here and across the country saying that they are relying on those kinds of things as a device to help create jobs. Some say they are ineffective, some say they could be more effective, but that is what the government is relying on.

What is confusing things is that this minister speaks with a forked tongue. He speaks out of both sides of his mouth at the same time. A confusing situation is created.

What does the President of the Treasury Board mean when he says we can no longer look to the traditional reliance on fiscal policy stimulus as a job-creating device? Is he telling us the government is going to do away with the job-creation programs of the Minister of Employment and Immigration (Mr. Axworthy)? Are they going to be diminished? Are they not going to be improved? Is he saying the government is not going to look to recreating the tax system to provide some incentive for investment?

Is the President of the Treasury Board saying the government is going to abandon the research and development stimulus that is necessary in this country? That is a fiscal policy stimulus for Canada. We have opportunities in the high technology industry to create a whole new era of industrial development and secondary manufacturing.

The President of the Treasury Board said in Vancouver what he would not say in Kanata, in my constituency, where people engaged in the high technology industry know the importance of research and development. Is that going to be abandoned? Are no jobs to be created as a result of using the tax system to provide incentives to get people to invest?

Is the government stepping out of manpower training? That is a fiscal policy stimulus and a job-creating device. You train personnel for jobs that are available. Is he saying it is beyond the ken of this government to put in place a tax system that will encourage companies and corporations which require skilled help? They cannot wait for governments. They need these people. They must create their own schools of learning

rather than bring people from abroad at this time when so many young people are looking for work.

Is the President of the Treasury Board saying we are not going to have problems of export promotion support? What is the government saying? On one hand it is not going to look to fiscal policy stimulus. On the other hand it says it is behind research and development and all those other things.

It is this glaring, blatant inconsistency that is confusing the business community, young people looking for guidance and those concerned about the state of the economy; there is one message in Vancouver and another in Ottawa. It depends on the audience to whom ministers are speaking.

What did he say? He says that what the government is going to do will no longer be a quick-fix. We either have a no-fix or a quick-fix. The government until recently did not talk about getting on with the job of changing the direction of its economic policy. That is neither quick-fix, slow-fix or no-fix. That is an important initiative.

People think that the meeting at Versailles will be a great watershed convocation of world leaders who will discuss the direction the world will take. I hope they do. I also hope that the confusion that has been added to the debate by the Prime Minister will be removed. While the President of the Treasury Board said one thing in Vancouver, the Prime Minister was quoted in the May 27 edition of the *Ottawa Citizen* as saying "his government could have a new economic strategy for a fall throne speech if the Versailles Summit fails to find solutions to the world's worsening economic situation".

In other words, if Versailles does not work, Canada is going to do by itself what I said it could not do. It said we are dependent upon the United States; but if Versailles does not work, we will not be dependent on the United States, we will do it on our own. That is the situation. It is that kind of silly, inconsistent economic nonsense which drives Canadians up the wall.

It is about time we considered the situation in which we find ourselves. The cabinet came back from Meach Lake as devoid of new ideas as when it went there. They wasted the heat for the building that weekend. They wasted your money, Mr. Speaker, and mine as well as their time because they came away with nothing new in terms of economic directions which would affect to a corresponding degree the unemployment insurance system. We will never do away with it; it should never be done away with. There is a certain amount of humanity about it. From time to time governments have to be humane. They also have to look at situations which face them.

The Minister of Finance (Mr. MacEachen) says in this House there is nothing we can do, that we have to rely on the Americans, that we are caught in the great vice of world conditions. The Prime Minister says that after Versailles the government may do something. The question is why it has not been done before Versailles. Why did the government not do something two years ago when it promised Canadians a number of things about the good life that would accompany the return of the Liberal government to Ottawa?