

develop in this country at the expense of Canadian companies.

The time has come for the government to think in new terms, to think in terms of putting these large sums of money where they are needed to create aggregate demand, higher pensions, municipal and provincial works, housing programs, and assistance to small Canadian companies and Canadian businessmen, so that they can play the part they are prepared to play if given a chance in developing this country and making it a prosperous nation.

• (1550)

[Translation]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, once again the House has before it this ever present motion aiming at providing meaningful employment in Canada, and I quote:

This House regrets that the government's expenditures for incentive programs have failed to stimulate production and trade in Canadian goods and services and to open increased opportunities for productive employment to Canadians.

Mr. Speaker, it is disheartening to note the extent to which members, and even political parties, can be irrational. Only a few days ago, the Minister of Regional Economic Expansion (Mr. Marchand) was in Cabano which, two years ago, was promised that a cardboard industry would be established there. Both federal and provincial authorities had then suggested to the citizens of Cabano and its surroundings to undertake a subscription campaign in order to collect the necessary funds after which the federal and provincial governments would provide grants for building a plant in replacement of the Irving facilities.

Mr. Speaker, to this day the citizens of Cabano have saved up almost \$700,000. It should be stressed that these people are workers, farmers, settlers, small merchants and a few professionals who have subscribed this amount to win over the participation of the governments through grants. Last Sunday, however, the Minister of Regional Economic Expansion speaking before 2,000 people, declared in substance the following: Gentlemen, as there is no available market for the cardboard you intend to produce, we are not interested in providing grants. After two years during which they have saved \$700,000, people are disappointed to hear the government simply say: For the moment, we are not interested, we are going to proceed with our studies to see whether it is possible to export the production of the intended industry.

Mr. Speaker, there are too many products on the market and the official opposition blames the government for its failure to create new jobs to increase production. It is not production that is lacking in any field of economic activity, for we have plenty of everything. Let us take, for instance, farm machinery, of which you can see thousands of items of all kinds at the Massey-Ferguson Industries Limited. There are lots of them, and we go and subsidize the company in order for it to maintain employment, while those who need farm machinery would buy it if only they had the necessary purchasing power.

It is not production which is lacking, be it in the clothing industry, the food industry, or any other, but rather the

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purchasing power of consumers. Yet, instead of tackling that problem, we keep talking about creating new jobs, or discussing a program of subsidies designed to create temporary jobs. But what happens afterwards? Unemployment again.

We spend \$150 million on the Local Initiatives Program. It is like a drop in the ocean. This is why some grants are refused. I think that out of some 18,000 LIP projects, 5,700 have been approved by the government; about 12,000 have been turned down because the government had no money left. Thus, \$150 million have been spent on the Local Initiatives Program for the period which will end on September 30 next. What will happen after that date? Unemployment. People will then be encouraged to apply at manpower centres, where they will be told: Come and be trained again. In fact, we spend our time training, retraining, and untraining people under the pretense of creating productive jobs. This is really mocking people to their faces. We have spent \$150 million on the Local Initiatives Program. Yet, I know very well that in all constituencies some of the projects have been turned down.

Here is a case which I noted in my own constituency. The town of Noranda gets its water supply from a certain lake called Lake Dufault, in which the people who live in the northern part of the town dump their rubbish, polluting the waters of the lake which supplies both towns of Rouyn and Noranda. We asked for assistance under the Local Initiatives Program. Moreover, Quebec City as well as Ottawa wish to fight pollution. Now then, here is a case in which pollution might be fought and at the same time something lasting could be created, but we come up against a refusal. The government has no money for this project, while it approves some which are much less important. Anyway, \$150 million were earmarked for the Local Initiative Program, and more than that has already been spent.

The retraining program costs \$15 million; on-the-job training, \$50 million; federal-provincial loans for job development program, \$100 million; works which imply a large proportion of labour, \$80 million; the agricultural exhibitions loan program, \$10 million; accelerated housing assistance program, \$113 million. They altogether amount to \$578 million, which are used to train manpower, retrain workers and provide jobs which cannot be filled. But, the amounts engaged are nevertheless spent.

Mr. Speaker, it is sad to see to what extent we lack seriousness or ability.

The other day, I was talking of another case which occurred in my constituency, in Témiscamingue, where the Canadian International Paper was closing down, laying off 540 workers. The government cannot do anything about this. An office is opened in Témiscamingue once a week in order to invite those who were laid off to come and follow a retraining course, so that they may engage in a new job. But, there is no other industry in this area! And the Canadian International Paper has already closed down.

Mr. Speaker, subsidies are however granted to a plant at Port Cartier which will produce exactly the same thing that the Témiscaming plant was producing. The government will perhaps grant \$3, \$5, \$8 million or more to create a new industry which will produce exactly what the