

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Before going into committee of the whole it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised at the time of adjournment are as follows: the hon. member for Ottawa West (Mr. Francis)—Public Service—Committee of review—Government position on public hearings; the hon. member for Okanagan-Kootenay (Mr. Johnston)—External Affairs—Reason Canadian delegation in Indonesia to discuss possible Canadian participation in coal mining project; the hon. member for Northwest Territories (Mr. Firth)—Northern Affairs—Government position on contracting out work to private operators.

GOVERNMENT ORDERS

[English]

INCOME TAX ACT

AMENDMENT TO ESTABLISH EMPLOYMENT TAX CREDIT PROGRAM

House in committee of the whole on Bill C-23, to amend the Income Tax Act and to establish the employment tax credit program—Mr. Chrétien—Mr. Laniel in the chair.

On clause 1.

Mr. McGrath: Mr. Chairman, it is obvious from the expedition with which this bill was greeted today that there is a disposition on the part of the House to pass this bill as quickly as possible.

Would it not have been better if the government had brought this bill on when we wanted it, that is, prior to the adjournment for Christmas? The earliest this bill can be implemented is March 1, 1978, which means whatever advantages are in this bill will be lost for now. We hope there will be advantages in terms of its ability to create jobs in the private sector. I believe the private sector is where the greatest potential for job creation exists. But the advantages will have been lost, in so far as the peak periods of unemployment are concerned, namely, the winter season.

If the government had agreed to bring on this bill prior to the adjournment for Christmas, which is what we requested, it would have been passed in all stages in one day. The possibility that we might get through this bill today exists, and hopefully we will. The fact that we are dealing with the bill as late as today itself represents a tragedy because we will lose the job creation advantage of the bill at a time when we need it most. To underline that fact, all we have to do is look at the December unemployment rate, and it is growing by leaps and

Income Tax Act

bounds. The official unemployment rate for December stood at an all-time high of 8.5 per cent.

● (1702)

I suppose the government and the minister will draw some consolation from the fact that the rate of unemployment in December went up by only one tenth of 1 per cent over the previous month. There is a failure to recognize the fact that we are dealing here with human beings who are unemployed, and not just with statistics. While the government may draw some consolation from the fact that the rate December over November went up by only one tenth of one per cent, that official tabulation represents 40,000 people added to the number of jobless. That means that 40,000 more Canadians are without jobs.

If we examine the December figures one startling thing which stands out and which causes me a great deal of concern—and reference was made to this today in the question period—is the fact that a growing proportion of the unemployed have been unemployed for three months or more, which means that unemployment insurance benefits for these unfortunate Canadians are expiring at the rate of about 10,000 per week or about 2,000 Canadians every working day, according to December figures. For these people unemployment becomes a real tragedy because they no longer have the relative luxury of unemployment insurance cheques. These people have to make the decision to go to their local welfare officers and to submit themselves to the humiliation of means tests. In my view that holds the potential for great social unrest.

The official figures from Statistics Canada show that 37 per cent of those looking for work in December were unemployed for longer than three months. Of those unemployed for longer than three months 35 per cent represent working males 24 years of age and over, obviously heads of families. However, that is the official rate. In real terms the figures are even more startling because we have an army of unemployed numbering 1.271 million as opposed to the official figure of 840,000.

The real rate of unemployment in Newfoundland is 26.3 per cent, or 57,000 out of a work force of 217,000. In Prince Edward Island the real rate is 19.6 per cent, or 11,000 out of a work force of 56,000. In Nova Scotia the real rate is 16 per cent, or 57,000 out of a work force of 356,000. In New Brunswick the real rate is 20.9 per cent, or 62,000 out of a work force of 296,000. In Quebec the real rate is 14 per cent, or 408,000 out of a work force of 2.922 million. In Ontario the real rate is 9.4 per cent or 393,000 out of a work force of 4.193 million. In Manitoba the real rate is 8.2 per cent, or 39,000 out of a work force of 475,000. In Saskatchewan the real rate is 6.3 per cent, or 27,000 out of a work force of 432,000. These are the prairie provinces where employment is supposed to be at its highest. In Alberta the real rate is 7.1 per cent, or 66,000 out of a work force of 934,000. In British Columbia the real rate is 12.4 per cent, representing 151,000 out of a work force of 1.222 million. As I have said, the total number is 1.271 million unemployed Canadians, representing 11.4 per cent unemployment.