

Employment Tax Credit Act

There is a whole series of other programs initiated by the previous government and this government which comes into play. Some are Canada Works programs and Canada work-type of programs which will probably be initiated in the future. There is also the manpower retraining program. It has been calculated—and I believe that the figure is correct—that the summation of all the programs in the Department of Employment and Immigration would open something like 230,000 jobs. This is a substantial gap when one speaks of unemployment in this country. To get around some of this simplicity one has to look at employment in perspective. It is true that we have one of the highest employment rates of all industrial nations; it is also true that we have the highest growth in our labour force of all industrial nations.

● (2120)

When I spoke in this House two or three years ago on this subject I used a chart which dealt with the summit group of countries. It showed that between 1966 and 1976 there were 146 people on the labour market in Canada for every previous 10 years; in the United States there were 128; West Germany had one or two less, but for most members of the summit group the figure was between 100 and 106. The growth in the labour force for the balance of the summit group, not including Canada, was 109 for every previous ten years; for Canada it was 146. That is a tremendous growth in our labour force.

On the one side there is high unemployment, and on the other side there is a record growth in employment among all the OECD countries, running between 350,000 and 400,000 new jobs per year. This is an accomplishment, Mr. Speaker. It is nonsense to say that we do not do anything, and it is nonsense to say that we do too much. There is a mean to be achieved and I think over the years this government has achieved it. To say that all the things we have done are wrong and that we have led the country into a mess is nonsense. We are living in a very difficult world, one that does not follow naive, simplistic suggestions. It is not true to say that if employment can be increased the economy will be better. It does not work that way and has not worked that way for many years.

There are many economists who believe that the Keynesian theories do not obtain today as they did years ago, perhaps because we are not as willing to try them as we used to be. In the early 1960s we used to talk of throwing a couple of billion dollars into the demand side to create a tremendous amount of employment and generate a lot of activity in the country. At that time the GNP was about \$40 billion to \$50 billion. Today it is \$250 billion, six times as great, and we are talking about the same \$2 billion—as if something less than one per cent would turn the economy around! This kind of thinking disturbs me a great deal, Mr. Speaker. Some of these things are counterproductive. Where there is high unemployment and high inflation running side by side, whichever way you turn you are going to create problems and not solve anything. I think we have to move piecemeal, though structural changes may be required.

One of the things that we have done in the area of unemployment that appeals to me is what I call the decentralization of policy. I support the notion of the federal government decentralizing its activities by moving the Precambrian Institute to Thunder Bay. If this country is to remain strong and have a strong federal government, the various parts of the government must be decentralized.

Decentralization of policy is not understood as well as it should be. There has been, however, more progress in the area of employment under the various ministers than in any other department. A very important advance was made when it was decided to bring the country into a series of regions and districts when studying unemployment and UIC, particularly the latter. This is very important in my area because of its location. In effect, what was done was to acknowledge that there could be a different situation in Newfoundland than, say, in Toronto, and a different situation in northern Ontario than, say, in Calgary, and that the various regions required policy differences which would come into play if the unemployment rate reached a certain level. I think this step was taken with a great deal of difficulty because of bureaucratic resistance.

Many backbenchers on this side of the House fought very hard for this change, and I would urge the minister to see if more can be done to differentiate between regions, not just regarding unemployment insurance benefits but in the whole area of manpower. I am sure the minister will look favourably upon allowing each region to set its own standards for manpower.

I should like to illustrate a problem that has not been solved by decentralization of policy, by speaking about a community in my constituency which is facing some very difficult times. Atikokan is a community of a little over 5,000 people. It had two operating mines, both of which closed down within the last year and one half. In fact the last one closed last week. In all, about 1,200 people were laid off by the closings. Under normal circumstances, if 1,200 people were laid off in a district where there were a lot of communities nearby, the people would merely commute to jobs in those other communities. If the lay-offs in the district were high enough to reach a certain percentage, then the UIC benefits would come into play.

Such is not the case with Atikokan, and I am sure there are other communities in the country in the same position. Atikokan is 140 miles from Thunder Bay and roughly 80 miles from Fort Francis. There are no communities of any size in between. To the south there is the U.S. border and north there is just nothing, so the community is on its own. The unemployment rate is as high as 50 per cent or 60 per cent. It is not a community where people can commute daily to other places to work. They have to find jobs within the community.

I should say, Mr. Speaker, that Atikokan is a community with a good future. There is another mine in the area which should open within the next three or four years. There are also other prospects for the community, and I hope that there will be full employment again in Atikokan within three or four years. It also has a very fine infrastructure. It is not the kind of