

Employment Tax Credit Act

On October 29, 1979, we found the present minister asking the following question:

By this time, the Minister of Finance must be aware that as a consequence of the high interest rate policy of his government, thousands of Canadian families are facing the horrendous prospect of renegotiating their mortgages at a time when rates have gone up anywhere from 30 per cent to 50 per cent. To put it in other terms, where mortgage rates have gone up, carrying costs have risen as much as \$1,500 a year.

Since the minister asked that question in October, 1979, interest rates have gone up 2 per cent or 3 per cent, and carrying charges on an ordinary mortgage have gone up another \$1,000 a year. What is the minister going to do about it? Nothing, because the Liberal party has now achieved office and it will be in power for three or four years so it can forget the promises that it made at that time.

Here I have a quotation from *Hansard* for November 6, 1979, when the present Minister of Industry, Trade and Commerce spoke about the Conservatives. At page 1029 the following appears:

The present record level of interest rates, which is supported by Conservative policy, cuts back the ability of Canadians to buy goods and services of all kinds—cars, homes, food and clothing, everything people need. These high interest rates cut back the ability of factories and businesses generally to expand, to create more production and jobs. These high interest rates limit the ability of business, especially small business, simply to operate at basic non-inflationary levels. Therefore these high interest rates mean losses of production and jobs now and over the coming winter months.

Now that it is the government, what answer does the Liberal party give to these high interest rates which were and are driving small business to the wall? The answer is a tax credit for \$100 million. It would be laughable if it were not so tragic.

The same Minister of Industry, Trade and Commerce further on in his speech said this:

These high interest rates are also bringing the housing and construction industry to a halt, with a potential loss of thousands of jobs in that sector alone.

Of course it was doing that then. It is even worse now that the interest rates are up 2 to 2½ per cent more than they were when the Conservatives were the government. I could go on and on. This is the record of that Liberal government.

Mr. Rae: Don't stop.

Mr. Orlikow: I would have to make speeches as long as the former member from Nickel Belt made a couple of years ago; I would have to go on for days and days.

An hon. Member: Where is he now?

Mr. Orlikow: Hon. members on the Liberal side are asking where he is now.

Mr. Deans: Where is the minister of trade?

Mr. Orlikow: I can assure these hon. members that if they do not mend their ways, and if they continue implementing what were essentially Conservative policies, as they are doing in this session, and as they are doing with this phony budget which the Minister of Finance smuggled in here a week or so ago, many of them will not be back here after the next election.

Those of us who have had experience with the Liberal party over the years are not surprised at some of the things which I have quoted today. That is the record of the Liberal party going back as far as any of us can remember. Back in the 1940s—I know that my friend, the hon. member for Winnipeg North Centre (Mr. Knowles), is the only member of Parliament here now who was in this Parliament during the war—the then Liberal government tabled a white paper in which it set, as the objective of that government and of this country, a full employment policy. Mr. Howe was certainly not in the left wing of the Liberal party. Mr. Howe promised that the Liberal government would ensure that governments would carry out policies which would ensure full employment, not the kind of phony full employment of some of the well paid economists in this country who work for governments, teach at universities, and some of them are in this Parliament, or work for some of these foundations which are funded mostly by the big business corporations of this country.

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These economists are doing very well for themselves, thank you. They have now evolved a new theory. It does not apply to them. It applies to other people. The theory is that full employment in this country is about 7 per cent or 8 per cent unemployed. Full employment is a situation where we have 7 or 8 per cent of the people in this country unemployed. That represents about a million people. Then they give us lectures about the fact that our generous unemployment insurance and welfare schemes are disincentives for people to go to work.

They want people to go to work. They do not want skilled workers such as electricians, plumbers, and machinists who are used to making \$8, \$9 or \$10 an hour unemployed. They are angry and critical when these skilled people are unemployed. Many of them still have confidence that Liberal and Conservative governments will manage the economy so that these people will get their jobs back in the not too distant future.

Some economists and some politicians think it is terrible when these workers who have worked and earned enough money so that they can live well, be comfortable, buy a house and own a car, do not run out and get a job at the minimum wage. They find that scandalous. They think workers should do that.

For a long time it has been the basic fundamental principle in our party that this country has the manpower training, skills, education and resources, everything we require so that every person in this country who wants to, can do useful and productive work. We were not alone in that. We were ignorant enough to believe for a long time that this in fact was a principle which had been accepted by most people in this country, and by all the major political parties. We found out that is not true.

I talked about what the Liberal party said back in 1942 in 1943 when it published its white paper. Let's look at what it did not so long ago. About 17 years ago the Liberal government, headed by Mr. Pearson, established the Economic Coun-