

Supply

What has the Government done for the post-secondary educational system? The universities are turning out graduates, but there are ten graduates for every job. Through its fiscal policy it has destroyed the economic infrastructure necessary to develop resources and create jobs for young people. Our senior citizens are upset. There is a general attitude of fear. There is fear on the part of our young people that there will not be jobs for them. There is fear on the part of people with jobs that they will lose them. There is fear on the part of senior citizens that their pensions, because of high inflation, will not be adequate in a mere four or five years.

Mr. Gauthier: Nonsense.

Mr. Thacker: I hear the Hon. Member. That is precisely why we have this problem. For years we have seen that situation developing and have heard Hon. Members opposite saying "nonsense". If we carry on in the same fashion, the debt will get larger and rather than \$1 in \$3 being used to service the debt, it will be \$2 out of every \$3. What do we do when all revenue goes to pay interest on the debt? In that event we would be into a Third World situation—a small, incredibly wealthy class and a large poor class. Where would the Hon. Member opposite draw the line? I keep saying that it has to be in the area of 15 per cent to 20 per cent maximum. Perhaps he is saying 30 per cent is okay, or is he saying 50 per cent or 75 per cent? In any event, it is a mortgage on future generations. I do not think our young people will put up with it. Their only solution is to become politically active and help us defeat the Government.

How did we get into this jam? As I said earlier, it was by deliberate Government policies. The deficit is not the fault of the Canadian people, the Constitution or the French/English situation we have discussed in the House. It is not the problem of the poor versus the rich or the employed versus the unemployed. It is the problem of a Government which has been in power too long and has learned to exercise power to the full limit, plus an extra 25 per cent. It is still able to fool people. It is relying on the essentially good nature of Canadians who trust the people they elected. That is their first mistake. They should not trust the Government. They should call all of us back to find out what we are doing, particularly Government Members who should be called to account for most of the things they have done.

The National Energy Program was a deliberate policy. So was the policy on defence spending. There has been a deliberate policy of criticizing the United States, the nation with which we have to get along whether or not we like it. The Government cannot ride the free blanket of this defence spending and then kick them in the shins at the same time. It just will not work. We must sit down and reason with them in order to get them to recognize this, not kick the U.S. snipe at their sides and expect them not to retaliate. When an elephant retaliates, the mouse gets squashed.

The Acting Speaker (Mr. Corbin): Questions. Comments. Debate.

Mr. Douglas Fisher (Parliamentary Secretary to Minister of Finance): Mr. Speaker, jobs and recovery were the two

themes in the April 19 budget. The Minister of Finance (Mr. Lalonde) stated very clearly on budget night that he had two goals he wanted to accomplish in his budget. First, he wanted to encourage the early signs of recovery in our economy. Second, he wanted to make that recovery permanent and give Canadians the hope of a prosperous decade in the 1980s.

Job creation was at the centre of the budget. It was the reason for the incentives and the programs the Minister announced last Tuesday—jobs for young people, jobs to rehire workers who have been laid off, jobs to help people in the short run until the economy picks up permanently and rehires them permanently.

How are we to accomplish this? We will accomplish this through three steps. First, there is the massive injection of public works spending into the economy through Special Recovery Capital Projects. As we know, \$2.4 billion will go into the economy immediately in the form of public works to stimulate the recovery. Second, private enterprise is being given encouragement to invest, to rehire and to expand—another \$2.4 billion in special incentives to encourage business to get back on its feet and to get going again. Third, we are not waiting just for those two streams to come along. We are injecting \$1.5 billion into the economy for direct job creation over the next year; \$710 million of that money is new in 1983.

All three steps fit together. All three steps are important to job recovery and economic recovery. The Special Recovery Program will start right away. As its impact is felt throughout Canada, we will see a general economic recovery, particularly as businesses, consumers and trade get back on their feet. Equally, while that is going on we will find groups of people who need help the most receiving direct aid and job support.

What industries or areas will benefit from all this? The Special Recovery Capital Projects are being announced by various Ministers. For example, we have already heard about water bombers to fight forest fires and about a strengthened Coast Guard. We will hear more announcements from other Ministers over the next few days. Whatever the project, whatever the announcement, these public works must come onstream quickly. They must be there fast because we want the impact of this spending to be felt right away. At the same time they must be projects which have a lasting value, a permanence and a usefulness for all Canadians. They must be in industries where we have high unemployment and where our dollars will stimulate recovery quickly.

• (1530)

As I have mentioned, we have already heard about ships and about aircraft and we know that more announcements will be coming in the transport area. We know that public works will involve construction. Because of the announcements made by the Minister of Finance (Mr. Lalonde), we know that there will be a high priority placed on research and training in order to put our industries into a competitive position in the future. We know that one of the great foundations of our economy, resource development, is going to be emphasized. Tourism, an area in which young people and unskilled workers can find so