

*The Budget—Mr. McGrath*

consider the money which has been targeted for job creation and stimulation of the private sector. At the end of 1982, 1.317 million Canadians were unemployed. That was the highest rate since 1933, during the height of the Great Depression. What do we expect between 1982 and 1985? In 1985, 1.347 million people will be unemployed. In other words, more people will be unemployed at the end of 1985, when we are supposed to be well into recovery, than at the end of 1982, when there was the highest rate of unemployment since the Great Depression.

Where is the budget going in terms of addressing the unemployment problem? We should consider the level of employment since 1981, in other words, the jobs in the labour force. In 1981, there were 10.933 million jobs in Canada, and that dropped in 1983 to 10.511 million jobs, for a decline of 422,000 jobs. Yet the growth in the labour force will more than offset any job creation which we can expect from the initiatives taken by the Minister during the course of his budget debate.

Concerning 1983-84, let us consider what the Minister of Finance, through the Minister of Employment and Immigration (Mr. Axworthy), expects to do with the over \$440 million designated for direct employment. In 1983-84, we can expect 36,000 new jobs as a result of the new expenditures under the NEED Program, as well as 27,000 jobs from special youth initiatives, 5,000 jobs from the special employment initiatives, and so on it goes. However, this new money will only create jobs for 6 per cent of the total unemployed this year, or a total of 101,000 jobs.

Where is the promise that was held out by the Minister of Finance? Where is the initiative which was to have been taken? I would have liked to have seen the Minister move in terms of providing incentives to the private sector by way of refundable employment tax credits. What do we receive instead? A slight expenditure of \$90 million over two years is supposed to provide wage subsidies for young people. Over 600,000 young people are unemployed, and they are soon to be joined by another 300,000 graduates from our post-secondary institutions and high schools. Therefore, we can see how insignificant the direct wage subsidies will be in terms of addressing youth unemployment. Yet we were told by the Minister of Employment and Immigration during the course of his speech that the Government has discounted out of hand refundable employment tax credits, notwithstanding the fact that this would have an immediate impact on job creation and would create permanent jobs as opposed to the short-term jobs which would be created by the NEED Program and various make-work projects which the Minister announced during the course of the budget.

I suppose one could say that if one went the route of refundable employment tax credits, then there would be no direct way for the Government to intervene in terms of porkbarreling or being able to use the patronage apparatus which supports the Government. However, the fact remains that even within the Minister's own Department, even with the short experience we have had with employment tax credits, this is a much more inexpensive, efficient, direct and immediate way to create jobs.

Yet the Government fails to act and tries to justify it by dismissing out of hand this means of creating employment.

I could go on, and I note that the Minister has brought in a special program analysis of a job strategy for the eighties which he tabled in the House yesterday and which, by unanimous consent, has been referred to the Special Committee on Labour, Manpower and Immigration. It is very interesting that that is the one Standing Committee involved with line Departments of the House. It was only struck this week, two months after the other committees were established, and then only after pressure was brought to bear on the floor of the House. We had our first meeting last Tuesday and we elected a Chairman, yet there is no meeting of that Committee today. Why? It is because the Ministers were not prepared to go to that Committee and meet with it. The Unemployment Insurance Commission, which is laying out billions and billions of dollars, was not prepared to meet with that Committee. The Committee could not meet today to deal with the incentives or the initiatives, whatever initiatives could be identified, in the Minister's budget. They will not be meeting until next Tuesday. Hopefully, we will be meeting with the Minister of Labour (Mr. Caccia) who is accountable to Parliament through that Committee. More important, I hope we will have an opportunity next Tuesday to meet and hear from the Minister of Employment and Immigration so we can examine the paper that was tabled in the House yesterday and so we can examine just exactly what the Government proposes to do in terms of job creation in real terms. I hope he will not try to play a shell game with Parliament by playing with statistics and figures. We want answers in terms of what the Government is getting for the money it is spending on direct employment. As I indicated, it can be demonstrated that the new money the Government is spending on direct employment, if I can use the metaphor, is a drop in the bucket. It is less than 6 per cent in terms of the total impact on the unemployment situation.

• (1650)

I have already indicated to you, Mr. Speaker, that what disturbs me and disturbs Canadians everywhere is the recognition implicit in the budget, indeed explicit in the budget, that unemployment will be here for a long while. We will have double-digit unemployment for at least three, four or five years. We can take that as gospel because the Minister has indicated that in his own budgetary forecasts. Yet all we get from the Minister of Employment and Immigration, who has the responsibility of advising the Minister of Finance on his budget, is ongoing—more of the same—in terms of the NEED Program which now has over \$600 million in funds for a total to date of 27,000 jobs. That program has been in operation since last October and it was supposed to meet the needs of those in dire straits.

Of course, we have the student employment programs. How many jobs will we get? Will it be 50,000 or 100,000 for the 600,000 to 900,000 young people who will be on the unemployment rolls of this country next month? It is not only shameful