

*Supplementary Borrowing Authority*

jobs in the defence sector, and because we will have UIC premium rates increased for the workers of Canada by 40 per cent it will mean that an average of \$135 will be taken out of the pocket of every working Canadian. Those dollars will not be purchasing goods and services and creating jobs. For employers the premium will rise 50 per cent. This will take in excess of \$1 billion out of small businesses in Canada. Is that the kind of encouragement, nurturing and support this Government gives small business and the workers of Canada?

I will venture a guess this evening that rather than create 60,000 additional jobs because of the programs introduced by the Minister of Finance in his statement yesterday we will lose more than 60,000 jobs. There will be a net decline in job creation in this country as a result of this imaginative proposal introduced by the Minister of Finance.

We hear a great deal about the six and five program, and yet we increase the UIC premium 40 per cent and 50 per cent. The Government calls for justice, equity, sharing and concern. Where is the justice in increasing those payments 40 per cent for the workers of Canada? Where is the justice? If we want to have a fair system in this country and if we are really trying to raise money for the unemployed, why is it we put a cap on the income you must reach after which you pay no more premiums for the UIC fund? That ceiling will be placed at about \$20,200 in the next number of weeks so that those people making \$40,000, \$50,000 or \$100,000 a year pay the same as the person making \$20,000 a year. That is a regressive system. I want to emphasize that to my colleagues across the aisle who like to use the terms fairness and equity in their rhetoric. Let them describe the fairness in that approach.

This peculiar situation in which we find ourselves today is becoming a sociological phenomenon. Canadian society, in terms of its economic relationships, has changed fundamentally in the last six to ten months. There are people now numbering in the tens of thousands who find themselves needing welfare but cannot qualify for it. They made the mistake of owning a modest home or car and now they do not qualify for welfare.

● (2030)

What kind of figures are we speaking about? In the remaining part of this year, 1982, 55,000 people will run out of unemployment insurance benefits every month and will essentially be looking at welfare for support. How many jobs a month will the new program of the Minister of Finance create? It will create 1,200. That leaves a shortfall of 53,800 every single month for the rest of the year. In January it will begin to rise to the tune of 90,000 people a month who will fall off UIC. Is there any talk of extending UIC benefits? Of course not.

There is nothing in the Minister's statement regarding interest rates, which still remain unchecked and volatile. We have seen them migrating downwards for ten weeks in a row now. What will happen after the Congressional elections in the United States? Will they stay down? Just watch what happens. I remember very distinctly when Ministers across the aisle indicated not too many months ago that there would be

interest rate relief for home owners. I remember the previous minister saying on television, "Mark my words, you will have interest rate relief." We have a program and we will definitely introduce it." I heard the Minister of State for Small Businesses (Mr. Rompkey) say that as well. I heard the Minister responsible for Agriculture (Mr. Whelan) promise interest rate relief. Where is it? There is no attention being paid to stabilizing those unstable interest rates.

History was made not long ago when 80 economists met in central Canada and actually agreed on something. They agreed that interest rates must be lower and the money supply must be loosened if we are to have any economic recovery in Canada. We may not need economists to understand and figure that out and make that claim; we have been claiming that for three years. However, it is encouraging to see 80 economists agreeing on anything, let alone something which ought to send a very clear message to the Government.

Was there any discussion by the Minister of Finance about research and development? There was nary a word. Whether it is a stopgap or band-aid—call it what you like—this Government is taking Canada nowhere.

We have a few programs. The ILAP Program was to be the program to save the troubled cities of Canada. It is saving one troubled city which is Windsor. It is not surprising that three Cabinet Ministers come from that city. Perhaps one must find a city where there are three Liberal Cabinet Ministers in order to receive some aid.

**Mr. Deans:** It is not working very well there.

**Mr. Riis:** As my colleague, the Hon. Member for Hamilton Mountain (Mr. Deans) says, it is not going very well there. It did not work in Uranium City either.

In British Columbia we heard a great deal about the famous bridging program that was going to put all the unemployed IWA workers back to work. Believe me, that has not occurred. The words that come to mind to describe that program are not utterable in the House.

**Mr. Deans:** Fraudulent.

**Mr. Riis:** Fraudulent is a good word. Again, the hopes of IWA workers in Canada were lifted just like the Government has been lifting the hopes of Canadians from all walks of life, peaking their interest, only to dash their hopes time and time again. We heard an economic statement the other day. Canadians were watching and listening very closely, with their hopes lifted only to be thoroughly disappointed.

The work-sharing program introduced by the Minister of Employment and Immigration (Mr. Axworthy) was a joke. Again, it was not thought through in an adequate fashion and will not serve the purpose for which it was intended. Under these catastrophic economic times we are not even able to assemble an adequate bureaucracy to process UIC claims on time. People in various parts of Canada must wait one month, two months and three months simply to have their claim processed. What are they to do in the meantime? They are out