

Employment Strategy

In order for the private sector to provide jobs it has to have the right climate. I suggest that it did not have the right climate under the Liberal government and that it does not have the right climate under this Conservative government. Interest rates have increased sharply in the few months during which the Conservatives have been in power. High interest rates are a disaster. For whom? For the small businessman, because large corporations do not have to depend as much on banks as do small businesses. Large corporations have internal funds. They can go to their multinational headquarters. They can go to their deferred income tax accounts, which now range in the billions of dollars.

In the last few months I have met many small businessmen who have told me about the high cost of keeping inventory with interest rates at 15 per cent or 16 per cent. Many of the people to whom they sell are slow in paying their bills because they have not sold their merchandise, and that is killing business.

With the exception of Italy, we have the highest rate of unemployment of any of the western industrialized countries, and the reason for that is the failure of both Liberal and Conservative governments to develop an industrial strategy. That failure has led to the deterioration of our manufacturing industries and the inability of Canadian manufacturers to compete with other corporations in Canada or on world markets. The microphones which are in front of me and every member of Parliament were built in Austria, a country which has about a quarter of the population of this country, yet it is able to produce these microphones and sell them in Canada obviously cheaper than any Canadian manufacturer can. That says something about our position with regard to manufacturing.

A large part of the reason for our difficulty is the stranglehold which multinational corporations have in many of the vital sectors of manufacturing. In the automobile industry, in chemicals, in the rubber industry—to mention just three examples—multinational corporations have virtual control. Multinationals have no responsibility to Canada as a country. They have responsibility only to their shareholders to produce the largest profits possible. I do not blame them, I blame ourselves. I blame our governments for not developing an industrial strategy to meet the needs of the Canadian people for jobs.

Given the slowdown in the economy, which is worldwide, and given the double jeopardy of the cutbacks in government activity by this government, we are going to see a sharp increase in unemployment in the next year. We are going to see that, as I said, because this Conservative government does not—nor did the Liberal government—accept the principle that it is the responsibility of governments to see that people in Canada who want to work will have the opportunity to get work.

We were critical of many of the aspects and features of the job-creation programs brought into effect when the Liberal party formed the government of this country. Some of the criticisms made by the present Minister of Employment and

Immigration and by his colleagues when they were in opposition were justified because those job-creation programs were ad hoc programs. They were put together to meet situations which the then government had not anticipated and with which it tried to deal through a whole patchwork of programs. We made these criticisms when those programs were in effect. We welcome any concrete, workable improvements, but I say to the minister that, given the fact that unemployment has increased and is going to increase even more, the cutbacks in job-creation funding implemented by his government will have a disastrous effect on the unemployed in this country.

I know that the minister has not agreed with me on earlier occasions when I said that the cutbacks amounted to about \$75 million, but they are very substantial cutbacks. If they are not \$75 million, they are at least \$50 million. The smaller amount which is now available through Canada Works programs in those provinces in which the Canada Works program is still operating—and those are the provinces east of Ontario—and the increased LEAP funding which, when taken together with the Canada Works programs which are funded for this year and the coming year, amount to substantially less than what was available last year and the year before, is not good enough. The fact is that there is not enough money in total. The minister and his department has decided that provincial unemployment rates in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia were lower than the 8 per cent which I think they said was the floor over which they would provide Canada Works programs. The minister should know that, even if that were true, in each of those provinces there are areas and groups of people among whom the rate of unemployment is very high. In my province, the rate of unemployment among the native people is very high, ranging from, in some reserves, 80 per cent to 90 per cent and at some times in the year to a situation in the city of Winnipeg where the unemployment rate for native people is very high while the over-all rate, as the minister knows, is relatively low. Yet the minister cut off the Canada Works funding, and I say to the minister that the LEAP funds provided for the province of Manitoba are far short of what is required to meet the needs of the native people.

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My colleague from Newfoundland tells me that while the Canada Works funding has not been reduced directly in his constituency, funds which were available previously through the department of fisheries and which were used to supplement the Canada Works programs for improving harbours and wharves have been cut back this year. My colleague the hon. member for Skeena (Mr. Fulton)—and his is a constituency with a very large native population—tells me that last year \$3 million was available but this year only \$500,000 is available.

I say to the minister that I have tried to make it my business to be in touch with leaders of the native communities in my own province and across the country, the leaders of any native organization, whether it be the Manitoba Indian Brotherhood or the Manitoba Metis Federation—and one could go across the country listing the various organizations—and I have not