

Income Tax Act

band-aid measures. Still, if I say that suggestion may be acceptable and even worthy of interest, I want to clear up one point. In the outline given by the Parliamentary Secretary to the Minister of Finance (Mr. Lumley) and in the press release of the officials of the Department of Finance, mention is made of \$100 million in federal revenue which would produce 50,000 new jobs in the first year. Those officials recognize and admit, very wisely indeed—because God knows how many errors have been made in forecasts these last few years—that only 25 per cent of the jobs created by this program will be permanent jobs. So I feel the Canadian people have a right to know, to be spared illusions: when we talk about 50,000 jobs, it sounds good and, naturally, outside the House people tend to think of them as 50,000 permanent jobs. Then, if we assume the figure is 25 per cent, which is dubious according to some officials, it means that this program worth \$100 million will create next year 12,500 permanent jobs.

● (1632)

But this program may also create 37,500 jobs for periods ranging from three to nine months. It is similar to Canada Works, Mr. Speaker, with the advantage, I must admit, that these jobs will benefit more the Canadian production than others, more than unemployment insurance benefits anyway. It remains nonetheless that Canadians must know that we are not talking about 50,000 permanent jobs. According to some forecasts, as I have said before, it represents 12,500 jobs and if we divide them among the ten provinces, then my own province, for example, may see the creation of 1,000 to 1,200 permanent jobs when the number of unemployed almost reaches 300,000. So I must repeat that this legislation, although worth while, is not the ultimate solution and I hope the government understands that also.

I just said that we have not solved the problem. That much is evident. Is it then some kind of a band-aid legislation which, on the eve of a possible election, can help create an exciting electoral climate for Canadians. I think the question is worth asking. Why do I say that for the last two years we have been living in an intolerable situation? I think that Canadians must put the following question to the government: why are these measures submitted at the last minute? Talking about elections, one never knows if they will be held this spring, next fall or next year, but judging from the subsidies that are being granted on an almost day-to-day basis, and from the arrangements that are being worked out with the provinces, it is interesting to see that the government has managed to scrounge here and there money that it claimed was unavailable only a few months ago.

If we are talking about permanent jobs, Mr. Speaker, I think we should start talking about an industrial strategy. I remember that in reply to the Speech from the Throne the Minister of Finance (Mr. Chrétien), supported by the Prime Minister (Mr. Trudeau), talked of an industrial strategy where this government felt that it was time to have an industrial policy. After ten years I do think it is indeed time to have one, and in view of the economic situation we are now facing I think that, to have an industrial strategy, we must have a well

[Mr. La Salle.]

organized research department with the necessary researchers and funds.

Why do we now have to use this band-aid? Precisely because in the absence of that adequate research department for the economic future of this country—and that is indeed the case—I must hold this government responsible for not having thought of allocating the necessary funds to have extensive research which could have foreseen the economic situation we are now facing. So we now find ourselves—and this should also be recognized—in a very obvious and intolerable economic slump which is forcing this government to introduce emergency measures.

I spoke of that band-aid just before an election, of this absence of adequate research only equalled by the absence of an unemployment policy for which this government was responsible and could not come up with—a lack of foresight which resulted in hundreds of industries going belly up. This lack of adequate research can be seen every day in different areas.

Let us talk about the impossibility of forecasting massive imports in the future. I could give examples—I think our friends opposite remember quite well the difficulties facing the textile industry. There were further recent lay-offs in the mining industry, in the footwear industry, in agriculture—the hon. member for Bellechasse (Mr. Lambert) referred to it earlier. We recognize that this absence of adequate research which prevented this government from coming up with a necessary policy created tremendous difficulties for our Canadian industry.

So, Mr. Speaker, a government which scorns such an essential and indispensable tool as a well organized research department is guilty of gross incompetence and irresponsibility. I am sorry but I think the words are not too strong and I must say that this government after ten years, which must show the public such a gloomy economic record, is indeed a pitiful failure.

So the government is prepared to do something to redress the situation and is making today its last attempt with the meeting of the Minister of Finance and his provincial counterparts. Next February there will be the conference on economic affairs. But for how long have we, on this side of the House, been urging the government to meet these people, to share with the provinces, the citizens and the labour organizations and to ask them and more particularly the business community for solutions? I think they could give good advice to our present Minister of Finance, but nothing like that was done. Here again, 1978 will be a very special period. The government will try to hoodwink the Canadians by telling them that it is prepared to do something. But I think our responsibility is to ask the Canadians whether this government still deserves the confidence they have put in it since 1974 and during the last ten years.

Therefore, I repeat, Mr. Speaker, only a well planned industrial strategy will allow us to create jobs, and for this strategy to be properly established, additional funds must be earmarked for research departments. In the short term, we will