

Supply

ation of Municipalities which showed that the cost would not have been \$1 billion but only \$80 million.

What would we have received for that sum of \$80 million a year for five years? We would have created 62,800 jobs a year. That would have been a net cost per job created of \$1,274. That cost of \$1,274 per year per job did not take into consideration the \$13,000 a year that we pay for unemployment insurance.

If we had a municipal infrastructure program in place, we would be saving federal expenditures of close to \$11,700 a year. That makes economic sense. We are investing a little and getting a lot through savings, stimulus and everything else.

Another area where we could be very creative is home building. Home building starts are down dramatically and this year we will be lucky if they are up over the depressing level of last year.

The industry is working at only 50 per cent capacity and there are 180,000 unemployed construction workers across Canada. Let us look at some constructive ways we could get this industry going with savings to the taxpayers of Canada. Reduce the down payment on new homes to 5 per cent.

This government is telling us it is out of the recession and things are rosy. Then there should be no problem in this government guaranteeing the remainder of that 95 per cent financing for a house.

We talked about another possibility that would cost the taxpayers nothing. We could allow potential home owners to invest their down payment from their RRSP savings. That would free up funds and savings that are already there at no cost to the taxpayer.

Another area where this government has been penny wise and pound foolish is in skills training and illiteracy. The Southam survey showed there are 5 million Canadians that are functionally illiterate.

The cost to business of this illiteracy alone is \$4 billion a year. The annual social cost is some \$10 billion. When you have costs like this to Canadians, does it not make sense to invest a little bit of money to correct it?

What has this government done? It announced a program in 1988. It said it would spend a total of \$22 million over five years to deal with the problem of

Canadian illiteracy. Do you know what this amounts to? It amounts to \$4.40 per year for every functionally illiterate Canadian. It amounts to 1.21 cents per day for literacy training for illiterate Canadians. It is peanuts when you think we could save the social cost of \$10 billion and the cost to the private sector of \$4 billion.

• (1710)

Last, we should be looking at the optional right of every unemployed Canadian to have skills assessment and get immediately into a program of remedial and skills training.

I would suggest that when we have such payments as \$31 billion of public money directly for unemployment insurance and welfare, \$13,000 per year for every unemployed Canadian, \$12,800 for every person on welfare, we have a tremendous fund available to create jobs through the private sector.

If we could create jobs by investing all or a portion of those funds in job creation, we would have the dignity of work. We would have taxpayers rather than welfare and insurance recipients.

There are a lot of programs where small businesses in particular could benefit but not by giving the full amount of that money. For example, we could take \$5,000 to pay for the cost of a new full-time job for one year created by business in Canada. Financially and economically we would be far ahead in terms of what it would do to our deficit. Even more important, we would be restoring dignity to those people who want jobs but cannot find them.

There is so much we have to do in terms of our long term ability to compete. In the short term this government has neglected the most fundamental aspects of sound fiscal management. In economic management, in not investing in these programs which could help us immediately to get out of this unemployment and welfare cycle, this government has demonstrated once again its incompetence by being pound wise and penny foolish.

It is absolutely necessary that the government act immediately.

The Acting Speaker (Mr. DeBlois): I would appreciate if in the beginning of his speech the hon. member could say if there is an agreement with the Liberal opposition.