

Unemployment Measures Lacking

questioned separately he gave a somewhat different answer, but when both were questioned in the house and the answers compared I notice that the Prime Minister had to come to their assistance and make up his mind about this policy. The Minister of Labour stated at that time that those who participated in the municipal winter works program will also be eligible to apply to the municipal loan fund to finance those projects.

The government has gone about this business of applying policies meant to provide employment—in essence our policies—in a way which makes them what is commonly known as Indian givers. Let us take the municipal winter works program as an example. They have increased the building amount from \$50,000 to \$100,000 but they have cut back the program by six weeks. In addition, they have placed a 4 per cent sales tax on the building materials which the municipalities are to use. They give with one hand and they take away with the other. Another example occurs to me in connection with housing. They offered a \$500 bonus for each new structure completed in the winter months. At the same time they have imposed a sales tax on the building materials to be used in the construction of these houses. The same is true with regard to the plan for the expansion of our industry, in which everybody seems interested. In this field they have imposed a sales tax to be used on the machinery necessary before this expansion can take place. Instead of creating jobs hon. gentlemen opposite are doing their best, it seems, to curtail them—and it has all been done by careful planning and by design.

Let us consider another area in which the government has intervened. They adopted the provision we made relating to auto parts and made a few minor changes. Then they tried to sell the idea to the United States. They went to Washington. Not only were they unable to sell their own scheme but they almost succeeded in reversing the results which we had been able to achieve. In this connection, I should like to refer to the *Financial Post* of November 2 in which it is stated:

Already the first auto parts export incentive program, based on duty remission on imported automatic transmissions and engines has raised exports markedly. The increase was from \$26.7 millions last year to \$35.3 millions this year.

This program was well on its way to success. It had been accepted by the automobile manufacturers both in Canada and in the United States. There were no protests from the government of the United States. There were no complaints. Why is it that this government, involving itself in exactly the same area as we had explored, should get itself—and not only itself, but Canada—into a great

deal of trouble? I think the answer is plain. It is because the present government has been unable to produce a practical, common sense program which would appeal to business, to the provinces and to our neighbours in the United States. They still have the arrogant attitude of past Liberal governments—the attitude that no one knows except themselves. They still think there is no need for consultation, that all they need to do is to issue statements from Ottawa and everyone will jump. Well, everyone is not jumping these days. The provinces are jumping, it is true, but they are jumping in protest. It is time they began to retrace their steps and started it again in a common sense way, as should have been their approach in the first place.

I think the reason for the present situation is that the government are relying on theory and on textbook economic schemes which have little or no relation to reality. This shows everything they have touched. They have rushed in, and then they have backed out, leaving the mess lying around. Some of the most important things on the agenda have been left in abeyance. These are the promises which were made during election. It is true they want to give a little time to them, to show they intend to keep them. But in reality these schemes are unworkable. I say it is time this government got back to common sense in its administration. The provinces have the right to expect this. Business, industry and labour have the right to expect it. And, finally, the Canadian people have the right to expect it.

When we were in office we provided incentives to industry in order to stimulate production and create new jobs. If we compare the figures, it is evident that the things we did, the action we took, paid off. They gave a new impetus to the economy. I suggest the present government is still riding on the effects of that impetus and that it is brazen for any occupant of the treasury benches to say things are better as a result of anything they have done since they took office in May of this year. Nothing that has been tried by them has worked out. Nothing they have done has created new jobs.

Hon. gentlemen opposite criticized us for the measures we took to stimulate the economy and for the deficits we incurred to that end. I say, now, that this government is incurring even greater deficits. In doing so they have imposed, in the short space of time which has elapsed since May, two new taxes on the people of this country—4 per cent on building materials and, now, 1 per cent on income tax. This has all been done in the space of six months since they took office,