

Employment Tax Credit Act

Taking that into account and the fact that because those people are unemployed there will be a reduction in purchasing and that that reduction in purchasing inevitably will lead to fewer job opportunities, what then can you use this kind of program for? Where do those people go to find work? I just mentioned that Dominion Foundries will be laying off 10,000 people for seven days. Dominion Foundries has employed people in the past for summer employment. It is very difficult to imagine how they will employ people this year for summer employment. That means that the people who might normally have been employed there will be looking elsewhere, but for the 10,000 people who are unemployed for a week, that is one one-fifty-second part of their income for that year that is affected in one way or another, and so they will be reducing their purchasing. As they reduce their purchasing, the jobs that those young people might normally get in department stores and in other summer-type work will not be available. I do not understand how giving money in the way that we are talking about without having developed an over-all strategy will work.

I do not understand where the jobs will come from. I really do not. I am not trying to create a political argument, I am being as honest as I can be. I do not know where those jobs are. If the economy is in a decline, as it is, if the major employers are laying off, as they are, and if that has the depressing effect on the economy that we all understand that it has, then the secondary type of job that is being looked for by these people will not be there. I do not understand how a program like this can possibly work in those circumstances. I think that if we were in a period of increasing employment and increasing purchasing and had a more buoyant economy, then we could reasonably expect to see some job opportunities.

Let me suggest that if the government had gone ahead and decided to embark on a major program of house building, that would have created a number of jobs in related industries. We all know, I am sure, that there has been a marked decline in the number of housing starts, although there is still a considerable demand. With that decline we are now down to something like 170,000 starts projected for this year. That is down from what is generally accepted as being a target of 260,000 that would be required if we were to keep pace with the need.

If the government were to embark on that kind of program and were then to use some of this money to support employment in related industries, I could see some benefit from that. I could actually see where the jobs are going to come from. But I cannot. I do not understand how it will work. I do not understand where we are going to create work for the people involved.

We will pass the bill at six o'clock, as far as we are concerned, and the government can go ahead with the business of getting the money out, if there is someone to take advantage of it. My suspicion about this is that what is going to happen is that some of the money will be used to pay for employees in jobs that already exist, not new jobs, and that in fact a lot of this money will not be taken advantage of because there will be no new jobs. In the final analysis there will be an ever-

increasing number of people unemployed, and we still will not have in place a major strategy for dealing with the chaos that confronts most of the economic sectors in the country. I really do believe that we are dealing with this in a very backward way.

The minister could have the bill passed and could get on with it if he could bring in some kind of economic strategy to show where we are going to create employment in the long term. I have not seen, heard or have any inkling as to when that is going to come or, for that matter, whether it is ever going to come. I suspect it is not. I do not think the government has the foggiest idea how to deal with it.

Mr. Axworthy: Mr. Chairman, the hon. member for Hamilton Mountain paints a picture of dark, satanic mills closing down in the dark of night. I remind him that in the last year close to a quarter of a million jobs have been created in this country; 250,000 jobs have been created from May of last year to May of this year, so the picture is not quite as gloomy as he likes to paint it. It sounds great in the spoken word but, in fact, there still is a functioning economy in this country.

If he is worried about the application of this specific program, if we can somehow satisfy the weird obsessions of certain members of the opposition to satisfy their pedantic tastes and get the bill passed, then there is already a built-up demand for this program. Between April and May of this year we have signed, subject to the passage of the bill, close to 3,000 agreements with Canadian employers who are waiting for this bill to be passed and waiting for hon. members to come to grips with the fact that there are already major demands. They are waiting for the hon. member for Calgary West to overcome his academic convolutions and for us to pass this bill. The demand is there. He is worrying about how it is going to be used. I am telling him it is there. They want to use it. All we have to do is get on with the job.

Mr. McCain: Mr. Chairman, when I participated in this discussion on the last occasion I asked the minister if he would give some special consideration to ensuring that employers of only one person would be as eligible as the employer of thousands. I did not think I got an answer to that question and I would like to repeat it now. Will he give the assurance to the little guy that he will get the same break as General Motors?

Mr. Axworthy: Mr. Chairman, I pointed out to the hon. member last time that 65 per cent of the jobs created under this program went to employers who employ less than 20 people. That suggests to me that if two-thirds of the jobs are created by employers who employ less than 20 people, it is not General Motors which is benefiting from this program. It is mainly the smaller businessmen in Canada.

Mr. McCain: Mr. Chairman, I would like to draw the minister's attention to the fact that he did not answer my question today and that I did not get an answer the other night. He has given me more information this time than he gave me the last time, but the question still stands, and I raise it as a question of very major importance, particularly in the