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this country and in their desire to facilitate increasing employment opportunities.

I would like to hear the hon. member's views.

• (1700)

Mr. Mills: Mr. Speaker, I thank my colleague from Cape Breton. As he knows and as he has articulated so often in this House, the 900,000 entrepreneurs across this country are the best hope for putting people back to work. For some unknown reason, this government does not want to address that fact head on. I believe instead of ratcheting inflation to a point where we now have deflation, the government should let up a little bit on the inflation. That would ultimately cause a little bit of a drop in the dollar and would put out the kind of confidence that would generate a lot more jobs in this country which we so badly need at this time.

The Acting Speaker (Mr. DeBlois): Resuming debate. To avoid any misunderstanding, I gave the floor to the hon. member for Broadview—Greenwood to implement the Liberal round with the hon. member for Burin—St. George's. I now recognize, because there are no speakers on the other side, another two Liberals for 10 minutes each. The hon. member for Willowdale.

Mr. Dingwall: On a point of order, if the hon. member has joined our party and wants to be known as a Liberal member of Parliament, we would be prepared to give him the floor if he is going to support the policies we have just enunciated.

Mr. Barrett: Mr. Speaker, on the same point of order, I would not join a group that would have me.

The Acting Speaker (Mr. DeBlois): The Christmas spirit is here.

The hon. member for Willowdale for 10 minutes.

Mr. Jim Peterson (Willowdale): Mr. Speaker, in confronting the tremendously serious economic challenges we face in Canada today, I believe we need a double-barrelled approach. For the past three years we have been talking to the government about one barrel of that approach and that is the long-term type of industrial policy that we as Canadians need and deserve.

This is a policy which is necessary, not only to allow us to compete, but more importantly to make us competitive. We have talked at length about monetary policies,

fiscal policies, training, development, science, research technology, innovation, development, all of those things which are the hallmarks of an internationally competitive society and areas in which we are in decline.

The other barrel of our approach must be aimed squarely today at what has been a very disappointing economic performance in Canada, disappointing to members on this side of the House and to the other side as well.

We are not out of this recession. We are on the brink perhaps of a double dip. We are seeing unemployment figures stalled. Last month unemployment did not go down and 45,000 more Canadians dropped out of the work force. This requires immediate redress.

I want to put before you today some ideas where we can act immediately in Canada to deal with this depressing problem.

Let me start with a bit of background. Today we are spending in Canada on direct unemployment insurance payments, combined with welfare payments, the grand total of \$31 billion. If we could wipe out all welfare and unemployment insurance payments for a year, we would wipe out our entire federal deficit.

When you look at how this affects individuals, it means that we are paying regular unemployment insurance of \$13,000 per year for every unemployed person. In addition to that, we are spending \$12,800 per year for every case of welfare.

We have money available, if we could get them off the UI cycle and off the welfare cycle, to invest in more productive aspects of our economy including job creation, a full \$31 billion. Let us look briefly at some of the ways that we might constructively do this.

Number one, upgrading our municipal infrastructure. In 1988, the Liberals introduced a plan whereby the federal, provincial and municipal governments would share equally the cost over five years of a total of \$15 billion expenditure to upgrade necessary municipal infrastructure such as roads, sewers, bridges and everything else.

That would have meant that the federal cost of the program was \$1 billion a year for five years. We must look at the real cost, what we would have paid out of pocket. Informetrica did a study for the Canadian Feder-